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# West Europe Report

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16 February 1984

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## NATIONAL LUTHERAN CHURCH INCREASINGLY ENGAGED IN PEACE MOVEMENT

Copenhagen BERLINGSKE TIDENDE in Danish 15 Jan 84 Sec II pp 1, 2

[Article by Jens Olaf Jersild]

[Excerpts] Birte Andersen's Christmas sermon was both a preliminary and a test case for a massive drive for the Danish Lutheran Church's involvement in the peace struggle. The church is standing at a crossroads between neutrality and the struggle for peace. And in the spring, church organizations will spend half a million kroner in a campaign to get pastors on the peace march. At the church crossroads, "social" theologians--who call the Christmas sermon "something every child should know"--are pitted against those theologians who call it a "falsification of Christianity."

There will be a lot at stake for the state church in the spring when 70,000 newspapers and brochures and 5,000 "information packets" begin to pour out to all corners of the country from the bishop's palace at Norregade 11 in Copenhagen--the setting for the most powerful bishopric in the country, one that is "ruled" with authority by the influential Ole Bertelsen.

The "red" bishop with ties to SF [Socialist People's Party] is currently on a collision course with church ministers over the assertion of the right of the state church to interpret the scriptures freely.

But the bone of contention is a Christmas sermon on peace that one of the disciples of the modern theology--Pastor Birte Andersen of Lundehus Church--delivered on television to the great outrage of Erhard Jakobsen, who in the midst of the election campaign was especially easy to ignite.

The Christmas sermon is not just the cause of a fundamental conflict on the power of the bishops in relation to the ministers--in the deepest sense the sermon is a test case that will show to what extent pastors in the Danish National Church can permit themselves to go in supporting the peace movement from the pulpit.

It is one of the most important questions in the state church today and the answer can be decisive for the position of the church in the missile debate and peace issues for the rest of the 1980's. And probably the 1990's as well.

#### Massive Peace Offensive

For the many brochures, papers and information packets from Norregade 11 all deal with peace.

And the offensive is the biggest unified effort to date to involve pastors of the state church in support of the peace movements. The preliminary goal is to turn the services on the fourth Friday after Easter into peace services in as many churches as possible across the country. This would occur in connection with Church Peace Week from Sunday, 13 May, to Sunday, 20 May.

The material is being sent out by an old organization that includes all the Christian churches in Denmark--the Joint Ecumenical Council. The bishop of Aalborg, Henrik Christiansen, is chairman of the council while Ole Bertelsen is chairman of the executive committee and shares the address of Norregade 11 with the council.

The expectant recipients of the material are several hundred thousand members of Christian youth organizations.

The members are traditionally called "Christian activists" because of their outgoing activities and they are found in the YWCA/YMCA (both the scout and civilian branches), FDF/FPF, the Voluntary Leagues of Boys and Girls, Denmark's Catholic Youth, the Baptist Youth Society, the Methodist Youth Society, the Salvation Army's Mission for Children and Young People and the Church Service in Denmark, which is a kind of umbrella organization for the youth groups at institutions of higher education.

#### Communist

The head of the secretariat, theologian Christian Balslev-Olesen said:

"An attempt to introduce church services for peace has been made before by Ole Bertelsen in Copenhagen and by the bishop of Aalborg by sending a circular letter to their pastors.

"But the new initiative is much broader and is occurring at the request of all the youth organizations.

"It is a big united effort to introduce peace theology in Denmark on the basis of Danish tradition.

"Many pastors already participate in peace work--but the problem is that many are also scared away from it because in many places there are clear political undertones in the form of a strong communist influence.



"Now the church must enter the debate in order to make it broader, but at the same time the church must also take an active part in peace issues. The arms buildup is a question of our existence and creation. And this question should be discussed in the churches--as it was before," said Christian Balslev-Olesen.

The campaign is a massive offensive for the involvement of the church in the peace movement and it is being financed with half a million kroner from the soccer pool funds. Over 40 consultants from different faiths and churches have been associated with the Joint Ecumenical Council in preparing the material.

#### Pastors the Target

According to an introductory flyer on the material, the goal is to "clarify how the church can contribute to a fruitful involvement for peace in the world in light of the Christian tradition and its position in Danish society today....The purpose of this project is to inspire an active involvement in peace and arms reduction issues."

It is the youth organizations that found the money and asked the secretariat of the Joint Ecumenical (which means the fellowship of all churches) Council to take charge of preparing the material. The tactic is that young Christians across the country will now be educated in and discuss the latest and very influential discipline in religious life--peace theology.

And with the material in hand, the young people are supposed to run their pastors down at the doors of their churches to arrange peace services. The pastors are one of the most important targets for the campaign--they are the ones who are to pass the message on from the pulpit.

#### Courses

"We do not conceal that and for the same reason we have arranged a series of courses where pastors will have an opportunity to become familiar with the theological background for the church's peace involvement," Christian Balslev-Olesen said.

The activity packet is what the Joint Ecumenical Council calls the pivot of the campaign.

It contains "Bible study material on the theme of peace with suggestions for services, religious devotions and prayers." Along with a handbook that is described as a reference work, the Bible material is to be used "in connection with the preparation of prayers and worship services," the introductory flyer says.

There will also be a songbook "with a selection of the very large number of Danish peace songs and psalms in both Danish and English."

All in all, a ready-made recipe for peace activity and worship services.

One of the most essential things will be a handbook published by Gads Forlag on 1 May in which a number of well-known Danish theologians will deal with the involvement of the church with peace, including relevant Biblical texts and a special effort to adapt this to Danish tradition.

#### Politicization

"The Danish aspect is very important. It is necessary that the churches in Denmark find their own starting point if they are to become involved in the same strong way as they are in Holland and Germany, for example.

"We are well aware that the material will be called a politicization, but the question is too important for us to allow ourselves to be affected by the criticism. And Christians today have a great need to have the subject of peace illuminated," said Christian Balslev-Olesen.

It is no accident that the large-scale peace offensive in Denmark is coming now--and it is no accident that many of the driving forces have their roots in a theological youth revolt that has marked the more than 300 theologians who have been educated in Aarhus and Copenhagen since the middle of the 1970's.

Birte Andersen is described as a disciple of social and economic Christianity who reads the Bible "with social glasses on"--interpreting the gospel on the basis of Marxist analysis.

Birte Andersen's presentation in the Christmas sermon of the shepherds' longing for peace is an example (by now almost a classic one) of social and economic analysis or a political attitude that plays as large a role as the text for modern theologians when the gospel is being presented and explicated.

#### Christmas Sermon

"A very long time ago there were some shepherds who watched the sheep one night outside a village in a distant province--Bethlehem. They were poor, working for the minimum wage. It was not even their own sheep that they were looking after. They had no influence at all in their society.

"There was no war in the country at that time, no direct acts of war, but was there peace? The Romans had occupied the country they lived in, which was now protected by the Roman peace. But the Roman peace was based on control and violence. Like the peace that protects us--America's peace must be said to be based on hidden control, moral corruption and concealed violence. Perhaps it was not so strange if the shepherds had doubts about what peace was or if they longed for it, as we do, without really understanding it."



The church's answer to the longing we feel--without really understanding it--could be the peace movement.

#### Violence in the West

[Hans Iversen of the Copenhagen Theological Faculty]: "We know a lot from historical studies of the social conditions at that time--it is not just something Birte Andersen and the rest of us say. Because of their social status, the shepherds also lacked influence in society. And when Birte Andersen says they worked for the minimum wage, it is to put it into the present--using current images of poor working conditions and wages, namely the minimum wage.

"At the same time it is a fact that peace in the western world today is based on concealed violence, control and moral corruption. It is an irrefutable social analysis and just as we today can fully appreciate a suitable analysis of conditions in the age of the shepherds in the Bible, perhaps 100 years from now people may realize the same thing about a society living in the shadow of a self-destructive arms buildup," Hans Iversen said.

A quotation is pasted on the filing cabinet in the professor's office on the 5th floor in Kobmagergade ("go in where they have the bridal gowns in the window"):

"Ein Christ muss radikaler sein als andere--A Christian must be more radical than other people."

Hans Iversen does not know where the quotation comes from. But he likes it.

#### Christian Socialism

Today Hans Iversen teaches theological students in Copenhagen, but in the mid-1970's he was a young student and one of the intellects behind the book, "Criticism of Bourgeois Theology," put out by the Critical Forum of Theological Studies in Aarhus.

"We took the consequences of the youth revolt in 1968 with a few years' delay. It was necessary to put the gospel in a national, social and economic context and to start explaining it on the basis of social conditions in the present. That is necessary so that people today can understand the content of the scriptures. The church cannot isolate itself. If it does, people will stop using it," said Hans Iversen.

One of the more extreme wings of "social theology" formed the group known as Christians for Socialism which is visible today in practical form through a paper with 2-300 subscribers and an annual island camping trip.

The timely social theology was also a reaction to another less disciplined theological trend resulting from the youth revolt--the Ecumenical Center in Aarhus and later the one in Copenhagen.

## Developing Countries

The center was formed following strong inspiration from events in the international church community and the slogans were taken from the meeting of the World Council of Churches in Uppsala in 1968.

One of them went something like this: "The world is writing the agenda of the churches." The problem of developing countries with rich and poor nations, North and South, was paramount along with the desire to form ties with other church communities in other countries for the purpose of attacking international problems.

In those years one saw the church taking the part of the oppressed and opposing the oppressors, especially in Latin America, and this also characterized the Danish churches under the leadership of Johannes Aagard, Doctor of Theology.

A big international effort with money going from Denmark to the oppressed was launched based on the Ecumenical Center--which should not be confused with the old Ecumenical Council.

Both movements had a good hold on the approximately 2000 pastors in the Danish National Church and both believed in the separation of church and state.

## Peace Theology

That is a very crude and simplified sketch of the lay of the Christian landscape at the end of the 1970's.

Theologians and the state church were divided in direction and were being further divided by trends. But then came peace theology.

It began slowly at the end of the 1970's and one of the most prominent people in it is the German theologian Dorothee Soelle, who is currently one of the most widely-read theologians in Denmark with as many as 8 or 9 works translated.

Her latest book, "The Arms Buildup Kills," will come out soon.

In her works Dorothee Soelle assembles Bible texts that can be used to support an active church involvement in the peace movements and her books are one of the few theological entries to the peace struggle.

Assistant Professor Hans Iversen: "Among students today I meet more and more who have read Dorothee Soelle in high school and decided to study theology on that basis."

## Uniting the Wings

The old members of the youth revolt think the peace struggle can unite the wings in the state church and perhaps turn developments in the direction of their social and economic view of Christianity.

Socialist pastors and supporters of social theology are already actively involved in peace efforts, but there are some indications that others are now ready to join in as well.

The head of the pastoral seminaries in Copenhagen and Aarhus, Gerhard Petersen, said:

"The picture is very checkered at the moment, but among the students and in the state church one can detect a new movement that might be called neo-Grundtvigianism.

"Starting out with Grundtvig's ideas, many are beginning to question the separation between church and state. They regard the work of the Creator--and thus nature and mankind--as inviolable, but discover that pollution and the arms buildup are threatening the work of the Creator.

"The threat is the result of society, of the policy that is pursued. And that leads one to the question of whether one should do something about it. Here the peace movement provides an answer to some people within the new Grundtvigianism. The peace movement fulfills as far as many people can see the traditional Grundtvigian requirements of breadth, depth and especially popularity," said Gerhard Petersen.

## Church at the Crossroads

Things are moving even before the peace offensive by the "Christian activists" in the spring, but will the church at this crossroads choose to "meddle with society"?

The epoch movement still has great influence in the state church and the movement's leader, parish priest Soren Krarup, thunders, "No!" from his rectory in Seem.

"Hans Iversen says that Birte Andersen's sermon is what every child should know. But anyone who can deliver a sermon like Birte Andersen's hasn't the slightest grasp of the most elementary theology.

"Birte Andersen explains 'God's peace' as an external thing, with the shepherds dependent on military and social conditions. But God's peace is an inner peace in the hearts of those who hear God's word--it has nothing at all to do with how much one gets paid or whether there is an arms buildup in the country one lives in.

"For this reason it is not the business of the church to become involved in society or in external political questions. That would make Christianity

human, politically useful. But man is not the center. The center is God and thus the words of the gospel," said Soren Krarup.

That is how the front lines have been drawn in the state church before the decisive battle is fought for and against intervention in society and involvement in the peace movement.

6578

CSO: 3613/86

## MORAN REASSERTS SPANISH NATO SUPPORT

Madrid ABC in Spanish 16 Jan 84 p 13

[Text] Foreign Minister Fernando Moran yesterday reaffirmed the government's support for the proposals that the NATO countries plan on putting forth at the European Disarmament Conference, which opens tomorrow in Stockholm. Moran pointed out once again that Spain is a NATO ally but does not feel automatically bound by Alliance decisions that do not warrant the government's approval.

The Stockholm Conference could turn out to be particularly enlightening with regard to Spain's attitude towards the Atlantic Alliance after the prominent role that Spanish diplomacy played at the Conference on Security and Cooperation in Europe (CSCE), which concluded this past 9 September in Madrid. During the Madrid Conference the Spanish delegation was grouped with the NATO countries, although Moran himself cited Spain's role as the "host" country on several occasions. This buffer, which the government used to justify certain initiatives, will not be present in Stockholm, and therefore the European Disarmament Conference will force the government to take a more definite stand on NATO.

In Fernando Moran's judgment, Spain could again play in Stockholm the major role that it fulfilled at the Madrid Conference, "although we must acknowledge," he noted, "that we had a very important platform at that conference. We no longer have that platform, but we enjoy much greater international standing, which we achieved at the Madrid Conference."

## Reasonable Proposals

The foreign affairs minister stated that his government regards the proposals that NATO is bringing to Stockholm as reasonable. "These proposals," he explained, "square with our views. As the conference progresses, we will see what nuances can be introduced."

Fernando Moran underscored the great importance that Felipe Gonzalez's administration attaches to the Stockholm Conference, even though "it comes after a period of tension, and therefore the prospects for a thaw in the short-term are not very likely, but we can hope that a

different climate is created. Accomplishing this would in itself justify the staging of the conference. The fact that all the foreign ministers are attending and that Gromyko and Shultz are meeting is encouraging."

In the opinion of observers, the meeting between U.S. Secretary of State George Shultz and Soviet Foreign Minister Andrey Gromyko will be the early highlight of the Stockholm Conference. Shultz stopped over yesterday in London, before continuing on to the Swedish capital, to meet with British Prime Minister Margaret Thatcher and Foreign Office Secretary Sir Geoffrey Howe, with whom he analyzed the Western strategy at the Disarmament Conference.

The Shultz-Gromyko meeting, which a high-level U.S. State Department official described as "a major event in East-West relations," will be held independently of the Stockholm Conference, which brings together all of the countries of Europe, except Albania, plus the United States and Canada.

Now that the Soviets have unilaterally withdrawn from the Geneva talks on reducing medium-range missiles and strategic arms (START) and from the Vienna negotiations on cutting back conventional forces in the European theater (MBFR) because of the deployment of Pershing-2 and Cruise missiles in five NATO countries, the Stockholm Conference is the only forum for dialogue between East and West. The Stockholm Conference and, in particular, the meeting between Gromyko and Shultz, their first since 8 September in Madrid, are thus important in bringing about a thaw in U.S.-Soviet relations.

8743

CSO: 3548/167



## NUCLEAR TERRORISM: POTENTIAL DANGERS

Paris LE MONDE in French 4 Jan 84 p 2

[Article by Raoul Bertrand, former diplomat, professor of international economics in the United States: "Nuclear Secrecy no Longer Exists"]

[Text] In the rather unlikely event that the Europeans were to give in to President Mitterrand's pleading at the recent Athens summit ("I beg you, let's not be petty."). They would do well to combine their efforts to defend themselves against the possibility of nuclear terrorism on a worldwide scale. All of the elements necessary for its appearance already exist, having been put in place during the last decade.

The terrorists who were spawned in industrialized nations quickly discerned the link that exists between the make-up of a society and the means it utilizes in a conflict. The first world war was characterized by the confrontation of peasant masses, surrounded by aristocrats by birth or education, in armies whose principal force was will, even more than discipline ("The victory will go to the side that controls the last quarter hour," Marshal Foch, January 1918). The second world war focused on the fight between industrial powers dedicated to destroying each other ("The United States is going to become the arsenal of the democracies," President Roosevelt, December 1941).

Since we entered the era of global, rapid and continuous communications, war has been conducted by manipulating crowds and the elite through the mass media. Just as the second world war was prepared for and unleashed on the radio by Adolf Hitler; just as the third world war has been taking shape since--thanks to the complaisance of President Giscard d'Estaing (against international law)--Ayatollah Khomeyni succeeded, notably by the television game--instantaneously put in place and complex in its worldwide repercussions--, in bringing down the shah of Iran for having brought his people into the twentieth century, in humiliating America, which had enriched him by its oil explorations and financial loans, in destroying the foundations of a peaceful compromise in the Middle East, in precipitating his country, by means of fanatical cruelty, into a medieval chaos from which it cannot hope to emerge except by extending the "Islamic holy war" not only among Muslims, but also to Christianity, where the Soviet agit-prop and Libyan funds are combined. Increasing the anguish of nationals who are without jobs, the uncontrollable development and the fermentation of unassimilable foreign concentrations--stirred up from outside the country--are preparing a corrosive ferment there, recalling those that undermined empires



having multiple ethnic groups, religions and cultures (Ottoman, Austro-Hungarian, Czarist). For this reason, the clandestine presence in France of Ayatollah Azarighomi, following upon the threats proffered by Iran's representative to the United Nations, constitutes a very serious danger: the revolution's number four man was the organizer of the Mecca uprising and the taking of the American diplomats as hostages. To which is added the Shi'ite "ultimatum," according to which, if the Americans and the French do not leave Lebanon, "the earth will tremble beneath their feet."

As is the case with viruses, auto-immunizing terrorist mutations are being produced. The first generation, stemming from intellectual or military circles (in Germany, Italy, Japan, North and South America) who were persuaded to accomplish a destiny either historic or social or national, was succeeded by the generation of poorly educated mystics (mostly in the Middle East) who were animated by the passion for sacrifice and the taste for death, given or received. That second generation furnished the medium from which the third generation was hatched: adolescents, progressed from minor to major criminality, who are easily transformed by specialists trained in the Eastern countries into made for killing and ready to die on command, without being concerned about either motives or victims. Such is the present stage of terrorism: strike where you can, when you can, at whom you can.

As old as humanity, terrorism consists of using the fear of violence, after resorting to violence, to impose its will or its domination on others. Weakness invites aggression, and impunity invites a second attempt. General spinelessness hoists to the peak of power the paranoiacs who, because they escaped annihilation, think they have been invested with a divine mission to which everything must be sacrificed. Hitler accepted in advance the destruction of the German nation if it should become, in his eyes, unworthy of him. The Bokassas, the Qadhdhafis, the Khomeynis and many others are of the same ilk. The ideological confusion in which Western civilization is foundering no longer even allows it to render harmless, to damage individuals who have given free rein to their destructive and murderous drives.

#### The Power of Symbols

Those who are sending to their death the drivers of trucks loaded with explosives are first of all manipulating symbols. Since McLuhan's studies, no one is now unaware that the medium is the message. It is the importance of the medium and not of the message that is taken into consideration. The power to destroy that was once the monopoly of national armies is now being put at the disposal of the mentally insane and small infranational groups. The result is an atomization of the conflicts--between nations, within nations, between governments and irresponsible gangs--which are no longer confined to one territory but spread out almost all over the globe, each parcel of which, be it continental or even just urban, is in danger of being used as a detonator.

Nuclear secrecy no longer exists. It is already 5 years since an American student wrote his doctoral thesis on the manufacture of a nuclear bomb, using only official publications. The various procedures have been simplified nearly every year. Before the end of the present decade, a dozen nations will have joined the seven that today form the "nuclear club." Several others (among the dozens that will soon exist) will subsequently be capable of doing as much. Terrorist groups tend to organize in military fashion (IRA [Irish Republican Army]) or even like a state (PLO). Without waiting for new groups to be

trained (whether or not they are financed by a foreign power), it may be predicted that those whose resources are already adequate, whose expertise at successfully executing complex operations is established and whose ideology attracts experienced technicians, will soon be capable, if they are not now capable, of resorting to nuclear blackmail.

Specialists estimate that one nuclear bomb of unsophisticated manufacture would undoubtedly reach one tenth of a kiloton and could kill or seriously injure between 10,000 and 20,000 persons in a city of heavy density and "only" between 6,000 and 7,000 in another city of less density.

Whatever the real circumstances might be, an act of nuclear terrorism would create an atmosphere of international suspicion, since world opinion would be unable to believe that it had not been perpetrated by a state. The result would be an even more dangerous instability, itself stemming from stronger and stronger tensions, while public opinion would be diverted by the sterile discussions on arms limitation. It would be impossible to rule out the hypothesis of a kind of alliance between terrorist organizations (which already have close relations among themselves) for the purpose of imposing their conditions.

Thus far, terrorism has assumed a magnitude that it has shown in Lebanon and Kuwait, thanks to the rapid progress in transportation, communications, weapons, as well as the growing vulnerability of an increasingly complicated technology. It is not confined to that. Is it possible to imagine the worldwide consequences of a credible nuclear threat brandished by a few fanatics ready for anything on the occasion of the Olympic Games in Los Angeles in 1984? The FBI and California authorities have been increasing their precautions since they were warned in 1982: "The considerable medical progress the Soviets have made in psychiatry leads our specialists to fear that they are selecting dangerous criminals to send to the United States at the same time as the spies and agents of destruction." (Report of Chief of Police Gates) Without going so far as to suppose, as some people do, that there is a global organization manipulated by the superpower that makes no secret of its intentions toward world domination, citizens have a right to dread, and governments have a duty to foresee, the possibility of a nuclear Sarajevo.

8946

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## ROLE OF MEDIA PUBLICITY IN ENCOURAGING TERRORISM

Paris LE MONDE in French 4 Jan 84 p 2

[Article by Gerard Chaliand, writer and president of the French Group for the Rights of Minorities. "But What Is Terrorism?"; italic passages in slantlines]

[Text] It is not so long since the word "terror" referred to its use during the French Revolution. Tyrannicides from antiquity to the Russian "populists," a whole tradition based on murdering crowned heads--as an act of justice. Closer to our own time, in the context of the liberation movements, terrorism is one of the forms of violence used, and not just in the urban milieu. In South Vietnam, the elements of the future FNL [expansion unknown] liquidated, village by village, the administrative officials installed by Saigon. Terrorism in itself has no ideological connotation. The weapon of the weak--even more than guerrilla warfare--, in this century it has been used more by the right than by the left: risen from the forms of European fascism in the 1920s and 1930s or, closer to us, the OAS [Secret Army Organization] at the end of the Algerian war. The fight for liberation against the colonial order: the Cypriot EOKA [expansion unknown] against the British, the Algerian FLN, etc. Let us also mention state terrorism (the assassination by the Syrian secret service of the French ambassador to Beirut in 1982) or para-state terrorism: the Death Squadron in Brazil or terrorist commandos in Guatemala today. Above all, let us not fail to emphasize the states that practise torture, that "extreme form of individualized terror," as Paul Wilkinson so rightly says.

What appears to characterize today's terrorism in comparison with the past, is that it is no longer the ultimate recourse, but a means of expression. The appearance of /publicity terrorism/ is typical of our epoch, especially in its trans-state version.

In its publicity version, contemporary terrorism makes its appearance in July 1968 with the highjacking of an Israeli airplane (to Rome) by elements of the Popular Front for the Liberation of Palestine. That innovation was very widely exploited in the following years.

In the absence of international agreements concerning the problems of terrorism, operating on a Western world and Muslim scale, utilizing the media fully, the Palestinian commandos are making the existence of the Palestinian national problem known.

## The Echo of the Media

In that regard, it is necessary to emphasize the interrelation between media and terrorism, one feeding the other and vice versa.

In totalitarian states, as in the Soviet Union, for example, there is no lack of either motives or courage for resorting to terrorism; what keeps it from occurring is the fact that it is not recounted. What matters in terrorism is its impact. In liberal democracy, because of a conception of the media that is perverted by the claim that they are commercial, the impact of terrorist actions is monstrously disproportionate\*, and the violence is fed by it.

Considering the proliferation of movements, groups, small groups and impromptu commandos in the last few years, it is useful to outline a typology of contemporary terrorism.

/Movements having a popular representativeness that is relatively rich in ethnic character and/or religious character and in autonomist or independentist objectives (PLO, IRA [Irish Republican Army], etc.)./ It happens frequently, in the context of terrorist activities based on clandestineness, compartmentalization and the special climate of violence, that some factions of a popular movement persist in fighting the battle according to their own to-the-very-end conception, once the platform of the "moderate" wing has been realized. This is the case at the present time with certain elements of the Basque ETA [Basque Fatherland and Liberty Group] or the small Corsican groups that are dissatisfied with their status of autonomy. These fragments of the machinery are destined to be liquidated.

/Ideological sects with a revolutionary vocation/ stemming from liberal industrial societies. In the last 15 years, in the half dozen countries where they have appeared, they have had relatively similar characteristics. Recruitment within the middle classes, often with university training, beginning with the idea that the system is rotten and oppressive. Workers are supposed to follow the example or the path of the combatants once they become aware of the coercive character of the regime that the combatants make sure is revealed to the workers through the subversion-repression spiral.

For the most part, it was this over-simplicity that was responded to, more or less articulately, by the American Weathermen, the Fraktion Red Army, alias the Baader-Meinhof group, the Japanese Red Army or the Italian Red Brigades.

Although their vocation is national, these groups may have impromptu trans-state activities within the framework of an "anti-imperialist" ideology (the Japanese Red Army has shown itself thus on several occasions).

The failure that is written into the very conceptions of these groups can only favor the appearance of factions or organizations of the nihilistic type (the Symbionese Liberation Army in the United States who do not have--or who no longer have, as their predecessors did--any hope of or interest in winning over the

\*Liberation movements fighting military battles of an exceptional quality, such as the Eritrean People's Liberation Front (TPLF), are infinitely less well known than the small terrorist groups without any political representativeness and in the final analysis with no other impact than the echo of the media.



masses. These groups may be either very small-scale and very structured, or more rarely, as is currently the case in Italy, may drift spontaneously.

/Revolutionary groups founded on the principle of the class struggle, anti-imperialist and favoring armed struggle, essentially in the form of terrorism in nonliberal nations. Thus, the various groups of the Turkish extreme right in the 1970s, or the Moudjahidin Khlaq in Iran. These basically urban groups suffer from the same deficiencies and the same weaknesses as the "urban guerrillas" in Latin America, from whom they very often get their inspiration. As in Uruguay, their actions very often result in a development of rightist terrorism and a seizure of power by the most repressive elements.

Let us mention again the groups of irredentist or separatist exiles or emigres having nationalistic aspirations concerning their native countries. This is the case, for example, with the dispensers of justice for the Armenian genocide or the ASALA (Armenian Secret Army for the Liberation of Armenia). From the Macedonians of the IMRO [expansion unknown] to the antiTitoist Croats, these groups were formerly very numerous.

Although the impact of contemporary terrorism on public opinion is considerable, the number of deaths it has caused worldwide over the last 15 years, according to the specialized institutions is not over 2,000 (if we exclude parastate terrorism, which has far more extensive means). Terrorism remains essentially a coup de theatre.

#### Contacts

Despite many allegations, no serious indication of widespread coordination (of the "international terrorist conspiracy" type) can be supported. On the other hand, contacts, exchanges, occasional cooperation and cases of direct or indirect manipulation do exist.

For a group or a movement that is desirous of using terrorism, the two main problems are the material means and, even more of a problem, the training. From 1970 to 1982, Lebanon, because of the government's weakness and the cooperation of the Palestinian movements, was the ideal terrain. Many contacts were made in this way between Palestinians, especially those from Georges Habache's People's Liberation Front and Turkish, Iranian, German, Italian, Japanese and other groups. Operations conducted by Turkish groups (the assassination of Israel's consul in Istanbul in May 1971) or Japanese groups (the Lod airport in 1973), in the context of an "anti-imperialist" ideological consensus, can be considered payment procedures.

The invasion of Beirut by the Israeli armed forces in 1982 changed the conditions of activity of a considerable part of the movements that utilize trans-state terrorism. Other countries, less easy of access and otherwise controlled, had welcomed members of structured groups: Libya, Syria, Iran, South Yemen, etc.

A special kind of irregular warfare, characterized by a modest human and material investment and having significant repercussions in liberal democracy, terrorism will continue to play a not inconsiderable role. As the specialists

are aware, the only serious response--for those who desire to continue to preserve the liberal institutions--does not consist of multiplying the measures that restrict liberties, but of improving information.

Until the present time, terrorism, after the innovations of the years 1968 and 1969, has not shown very much imagination. Everything is pointing to justification of the fear that sooner or later it will attack the essential infrastructures of the industrialized nations; the effect will be so spectacular that there would be no need for the media to tell the story.

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cso; 3519/187

## IMPROVED COUNTER-TERRORISM MEASURES

Paris LE MONDE in French 4 Jan 84 p 2

[Article by Christian Jones: "Let's Make a Choice, Time is Running Out"]

[Text] Consternation, indignation and determination. That is how Westerners react to international terrorism. As far as consternation and indignation are concerned, they are foreseen and expected by our adversaries, and will never catch them unawares.

Determination is foreseen, too. It is what is expected of us. What forms will that determination actually take?

- Strengthening the forces and therefore re-aligning targets which are more numerous and more vulnerable to terrorists' strikes.
- Strengthening the security forces and therefore increased victimization of the surrounding populations.
- Suspicion and vigilance, in Europe, with regard to immigrants of whatever origin.

All this is part of the calculations; we are well enough known that the errors we are going to commit can be predicted.

So when will we understand that we are facing a new kind of war? We do not need any value judgment, we need clear-headed judgment. This war is a fact.

Either we abandon our out-dated notions (influence, presence, historic role), or else we make war, today's war, terrorist war.

Objections will be raised: we are not ready for terrorist war, either morally or materially. I should like to respond to both of those objections.

Morally, terrorist war is cowardly and hateful, of course. But what about our former conquests, what about the way we treated the peoples we subjugated and, still worse, what about the way we dealt with their revolts? We have to be cowardly and hateful with the times, or stay self-effacingly at home. Materially, terrorism is a phantom, a Hydra with 100 heads, impossible for our brave



soldiers to catch. Of course. But by changing the state of mind, we are going to change the methods. We must have spies, kamikazes and killers. If we do not find any, we may as well conduct a prudent retreat. Either we devise universal counter-terrorism, with our allies, or we devise the retreat of the West. But let us make a choice; our adversary is well ahead of us, and time is running out.

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## OVERVIEW OF ONGOING PKK, IDEALIST TRIALS

Istanbul CUMHURİYET in Turkish 21 Dec 83 p 12

[Text] In yesterday's session of the Military Court No 2 in Diyarbakir, the military prosecutor demanded that out of the 108 Apoists 61 should receive the death penalty, 24 imprisonment to 10 years, 15 to 5 years, and 8 to 3 years.

The military prosecutor of the Military Court No 3 of the Martial Law Command in Istanbul demanded the death penalty for the six of the eight Idealists on trial for the killings of six people, among them Dr Umit Yasar Doganay.

Information Center- The reading of the indictment in the trial of Hilvan-Siverek, a case in connection with the outlawed divisionist PKK [Kurdish Communist Party] organization called as 'Apoists', has been completed. The military prosecutor demanded the death penalty for the 61 of the 108 defendants.

In yesterday's session held in the Military Court No 2 of the Martial Law Command in Diyarbakir, the military prosecutor continued with the reading of the indictment that he had started the day before.

The defendants whose execution is being demanded:

According to the indictment that has been submitted by the military prosecutor and has been read, the death penalty has been demanded for the following defendants:

Ismail Ahnaz, Celalettin Ahnaz, Lami Agirman, Kemal Aktas, Ali Agirman, Mahmut Aydin, Ahmet Altinyuzuk, Halil Agiragac, Mahmut Agiragac, Veli Agiragac, Abdul-kadir Atim, Izzet Baykal, Irfan Babaoglu, Ramazan Cat, Mehmet Cat, Ali Cobanyildiz, Nurettin Catlak, Hasan Demir, Celalettin Delibas, Eyup Demir, Mustafa Delen, Abuzer Dehset, Bozan Gultekin, Remzi Geyik, Osman Gultekin, Irfan Guler, Ramazan Ilhan, Mehmet Kancak, Hamit Kandar, Budak Karamanli, Kazim Kilic, Celal Kilic, Ali Kilic, Cevher Kandar, Muzaffer Kevci, Salih Dodanli, Mehmet Dodanli, Bekir Dodanli, Mehmet Dodanli, Seydi Dodanli, Abdulkadir Modanli, Hasan Man, Kadir Manav, Salih Ogac, Ibrahim Halil Ocul, Ramazan Odemis, Fuat Okten, Suleyman Pertav, Emin Pertav, Mehmet Sabcili, Halil Kayan, Ramazan Ulek, Fevzi Yetkin, Mustafa Yetkin, Guli Basmaci, Sadettin (Sadun) Sevgat and Mustafa Yuksekyayla.

In addition, the Martial Law's military prosecutor demanded in his indictment composed of 49 pages heavy prison sentences for a minimum of 11 years for the 24 defendants in conformity with article 168/1, Heavy prison sentences between 5 and 10 years for the 15 defendants in conformity with article 168/2, and heavy prison sentences between 3 and 5 years for the 8 defendants in conformity with article 169 of the Turkish Criminal Law.

#### Execution for Six Idealists

The trial against the eight defendants, for six of whom the death penalty is being demanded, and who are accused of killing six people, among them a faculty member of the Istanbul University-Law Faculty, Prof. Dr. Umit Yasar Doganay, and who are accused of adopting the Idealist conviction has been started in the Military Court number three of the Martial Law Command in Istanbul. In yesterday's session attended by the defendants Abdullah Sapan, Metin Sara, Tayfun Oguz, Dogan Kirman and Ahmet Atilgan, the military prosecutor reading the indictment pointed out that the defendants had organized an illegal society in Zeytinburnu, adopting the Idealist conviction. The military prosecutor stated that the aim of this society has not been to destroy the constitutional structure but to suppress persons who adopt Leftist conviction, and to force these persons to adopt their own conviction by threatening them, and to form a cell with the objective of killing and injuring people having Leftist conviction.

The military prosecutor stressed that the defendants who killed Prof Dr Umit Yasar Doganay on 20 November 1979, killed the same year also Muslum Kus, Yilmaz Demir, Ensar Gunduz, Mehmet Akbay, Aziz Palandoken, who were members of the RPP [Republican Peoples' Party]. The military prosecutor asserted further that the defendants were also involved in actions of larceny and assault.

In conformity with article 450/4 of the Turkish Criminal Law, the death penalty has been requested for the defendants Metin Sara, Abdullah Sapan, Tayfun Oguz, Saban Kose, Dogan Kirman, Ilhami Imral for committing premeditated murder. For the other defendants, Taci Aslan and Ahmet Atilgan, a heavy prison sentence of up to 30 years has been demanded for committing crimes of larceny, assault, and being members of an armed gang.

The defendants attending yesterday's session did not want their pictures taken, since that would make them more readily identifiable. Abdullah Sapan, who is on trial and accused with the killing of Prof Doganay stressed that despite the fact he has adopted the Idealist conviction, he didn't know the other defendants and therefore they didn't organize a society.

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## LANC ON FOREIGN POLICY CONSENSUS, MIDDLE EAST

Vienna PROFIL in German 16 Jan 84 pp 34-36

[Interview with Foreign Minister Erwin Larc, by correspondents Otmar Lahodynsky and Erhard Stackl: "Further Rearmament Is Imbecility"]

[Text] [Question] The conference on confidence-building measures and disarmament is about to start on 17 January in Stockholm. Due to the increasing inclination to resolve all political conflicts by military means, one gains the impression that none of these rounds of negotiations can affect the increasingly threatening world political developments anymore. What is the point of such conferences in the first place?

[Answer] Despite nuclear rearmament and many conventional wars I consider the coming conference in Stockholm an essential contribution to preventing a world conflagration. Even if the public often gets the impression that such conferences are only a sort of surrealistic theater or diplomatic yoga exercises, I think there is no other alternative. One alternative would be shutting up completely, still more distrust, still more tension, still more rearmament. Even though I consider further rearmament hardly possible, why should one imbecility not be succeeded by another?

[Question] What could Austria's contribution be in Stockholm?

[Answer] Already at the Madrid CSCE follow-up meeting, the neutral and non-aligned states, Austria with significant activities among them, as well as Spain, made decisive contributions which after all led to a final document that rates as an enrichment of the Final Act of Helsinki.

[Question] Yet you had to admit yourself that Austria failed to put in several points such as implanting trade union freedom.

[Answer] Not to the extent we had wanted it, and yet the trade union movement as such was referred to for the first time in the document. In Stockholm both pact systems will have to come forward with propositions on what they regard as confidence-forming measures. In the first phase, 35 participating states will list their standpoints. That has the advantage that one will at least know the status quo. If the two superpowers cannot agree on the negotiation procedures, it will be up to the neutral and nonaligned states as in Madrid to come up with proposals for a consensus on that.

[Question] Many people are afraid the armaments spiral could escalate into a nuclear war. Are you afraid of that too?

[Answer] In discussions with friends in the peace movement I have kept asking myself: How come these people are afraid and I am not? Maybe I have too often been afraid already in my life. For the peace policy it is totally irrelevant who is now afraid and who not. Because what matters is to find disarmament measures. Peace demonstrations and peace movements belong to the formation of political awareness in those countries where the social order allows just that. That is why they can indirectly contribute to a concrete peace policy. And so we have always sought to maintain contact with our domestic peace movement. Also in order to preserve a certain degree of realism there.

[Question] The peace movement has been accused of one-sidedness and anti-Americanism. You have condemned the U.S. invasion of Grenada and then had to accept the reproach of being anti-American from the Austrian People's Party.

[Question] The reproach of being anti-American rather came out of the propaganda perimeter of the Austrian People's Party. We have never treated the Grenada invasion as equivalent to Afghanistan. After a lengthy analysis at home we came to the conclusion that the U.S. action on Grenada was in violation of international law. One could think that among friends it sometimes is best to shut up. Yet if one is located where we are, geographically, one cannot keep quiet about foreign intervention that is against international law. As to the critique from the Austrian People's Party: The opposition, for all that, has kept its mouth shut on the stand I took in the foreign policy debate.

[Question] Even so, there seems to be less consensus in Austrian foreign policy than in the past.

[Answer] The former Styrian provincial chief Josef Krainer, the father, not the son, once said: "We shall starve in neutrality." It has always been the question whether our neutrality, which after all is essentially a military one, will get us into a situation of presumed starvation or into one where one may cast doubt on our belonging among the democratic social orders. Where political decisions have to be made, foreign policy business is involved resulting either from international law or from human rights. There, our guideline is not our status as a neutral state but as a parliamentary democracy that wants to see human and international rights respected. Thus we are not behaving neutrally by closing our eyes to international law violations so we won't irritate anybody.

[Question] The Austrian government has lately often disagreed with the United States. For instance, Austria is supporting Nicaragua, whose government has come under U.S. political and military pressure.

[Answer] In parliament, even the Austrian People's Party recently endorsed our continuing our development aid to Nicaragua. We are telling the Nicaraguan government that we expect of it it will move toward democracy. They are telling us what prevents them from doing so. A subversive movement supported from the



outside has never yet speeded up democratic development anywhere. The split in the consensus between the political leadership and the people of Nicaragua cannot amount to all that much, else there would not be this total and open populace under arms. Anyone with as much experience about dictatorships as my age-group will know that dictators do not put the people under arms if they must be afraid that the weapons given out might get aimed at them themselves. And when they keep comparing us with Switzerland as our model in neutrality, one should remember that Austria, at the latest in the UN General Assembly, will be called upon to take a position. Not so Switzerland, because it is no UN member. C'est la difference.

[Question] The Reagan administration was very sore that Austria did not join the boycott after the downing of the Korean airliner. AUA kept flying to Moscow.

[Answer] I told U.S. Secretary of State Shultz in Madrid how we came to take our position. To refrain from being dragged into the perimeter of partiality, we have always complied only with UN boycott resolutions. Other boycotts we have never supported, not the one against Iran either. Had we joined the airline boycott, as was intimated to us at the time, it would long have been forgotten meanwhile. ICAO, the international civil aviation organization, picked up the Austrian-French initiative and will hopefully soon fill the gaps of the Chicago Convention, which is going to improve civil aviation security.\*

[Question] The Austrian federal government, especially Chancellor Kreisky, has been strongly committed to Near East issues. After the failure of Arafat's PLO policy, has the Austrian Near East policy then also been aborted?

[Answer] I would not be so apodictic in claiming the PLO policy has failed. But the time that was there to get to peaceful settlements remained unused. Israel, it seems to me, has done what it could to prevent talks or even negotiations directed at peaceful settlements. Nor has the PLO properly contributed to a peaceful solution. Yet Israel's strike against Lebanon led to the result that no clear negotiation mandate could be achieved in Algier for the PLO leadership. There lies the germ for that later nothing came of all alternative considerations, such as proceeding jointly with Jordan. This has weakened the positions of those PLO leaders who, at least since the late 1970's, would advocate negotiations as a solution as openly as the more radical ones among them allowed it. It would be false to say now that those PLO leaders are weak and gone. The Palestinian people and its legitimate claims exist. And that is the reason why there will be no peace unless one guarantees the Palestinians a peaceful life of human dignity and self-determination. And if one crushes a negotiating partner--as Israel has done--one may soon land in a situation where one would be happy still to have that sort of partner.

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\*The Chicago Convention thus far provided no explicit proscription for firing on civil aircraft.

## BRIEFS

AKEL DELEGATE TO NUREMBURG CONGRESS--Agamemnon Stavrou, member of the AKEL Central Committee and party representative on the editorial board of the international Marxist review PROBLEMS OF PEACE AND SOCIALISM, is taking part in the 7th Congress of the FRG Communist Party that began its sessions last Friday in Nuremburg. The congress ends Sunday. In his greetings to the congress, A. Stavrou congratulated the German Communist Party for its contribution to the world struggle for peace and expressed his thanks for the firm support given by the West German communists for the just struggle of the Cypriot people that is now entering a new phase. /Text/ /Nicosia KHARAVGI in Greek  
8 Jan 84 p 12/ 5671

CSO: 3521/144



## DKP CONGRESS ELECTS OFFICERS, OUTLINES POLICIES

## Trade Union Efforts Stressed

Frankfurt/Main FRANKFURTER ALLGEMEINE ZEITUNG in German 9 Jan 84 p 4

[Excerpts] The DKP Congress in Nuernberg has confirmed its party chairman Mies in his office. Mies, hailed as a "great friend of the Soviet Union" by the Moscow Politburo member Romanov, got 648 out of 651 delegates' votes, at three abstentions. Deputy chairman Gautier, also reelected, got two nays and six abstentions.

Newly elected into the party presidium was Irmgard Bobrzik, into the secretariat, Werner Cieslak. Ludwig Mueller resigned from the presidium and secretariat for assuming other functions. Max Schaefer also quit the presidium for reasons of age. Mies paid extensive tribute to his distinctions in the party. Of the delegates, 37 had not come to Nuernberg; they had to be substituted for by deputized delegates. District boards are to "discuss critically" the conduct of staying away without excuse with those who did.

The party congress debate advocated a greater effort for "trade union campaign structures in the enterprises." Without such structures, it was said, "the enterprise council could not act, could only negotiate." Labor struggle should be politified and "impulses" be carried into the SPD and the trade unions. In occupying the HDW shipyards one had found that even with "right-wing Social Democrats, collaboration is possible."

The party executive also made a sharper appeal for intensive recruitment, the so-called "Thaelmann Rally." All party members should aggressively "talk colleagues and neighbors into entering the DKP." The party executive is particularly disappointed in that the communist commitment to the peace movement remained without perceptible influence on the party's membership strength: "We are anchored within movements; if that does not also strengthen the party, we must recheck our efforts. Submerging in movements does not benefit us, nor, ultimately, those movements."

## Focus Within Peace Movement

Frankfurt/Main FRANKFURTER RUNDSCHAU in German 9 Jan 84 p 3

[Article by Roman Arens]

[Excerpts] "We are far from being a mass party today," the Hamburg DKP chairman Wolfgang Gehrcke summed it up and asked for a stronger recruitment of new members. The Baden-Wuerttemberg chairman Dieter Keller did rave about the experiences of this fall, such as with the Ulm-Stuttgart human chain, but he also registered this: In actively involving the masses of workers and employees in the peace movement one was still at the beginning. "What matters is to move ahead the fusion process between the workers and peace movement," Keller said and asked for more enterprise peace initiatives. It was all right to join the blockades, but it should not deflect from being oriented to the enterprises. DKP spokesman Eberhard Weber thought: "The workers' proportion in the peace movement must grow."

With the growth of the peace movement and the participation of ever more self-assured groups, the DKP has found out that it becomes increasingly more difficult to make its own standpoint prevail. Despite the strong commitment and even organizational assignment of communists, peace researcher Alfred Mechtersheimer, e.g., says: "DKP influence has dropped from operation to operation."

Party chairman Herbert Mies therefore severely reproached parts of the Greens: "Why do some of them keep trying to remove other political forces from the peace movement?" Apart from the fact that such a complaint also of course expresses a competition for desirable votes, there are evidently insurmountable political contradictions in the security policy.

In concentrating on operational work, the DKP intends for 1984 still to support the activities of the peace movement in alliance with social democratic, liberal and Christian groups in which it finds, despite political opposition or but closely confined common interests, a reduction of anticommunist resentment owing to the most recent experiences. To the communists it is crucial that the struggle for enforcing the trade union demand for a 35-hour week with full wages be combined with peace operations. Possible strikes, to be sure, are "not to be reorchestrated," says DKP spokesman Weber, but wherever possible, connections should be established. The "struggle for working hour reduction" should also be conducted as a "struggle for arms reduction."

## DKP Strengths, Weaknesses Weighed

Frankfurt/Main FRANKFURTER ALLGEMEINE ZEITUNG in German 14 Jan 84 p 1

[Article by Ernst-Otto Maetzke]

[Text] When a Cretan says all Cretan are liars it becomes tricky to test the truth content of his statement. Such situations keep coming up. For instance, a Soviet Politburo member addressed his comrades at the DKP Congress full of allegiance to Moscow: "We are glad your party is making headway and is extending its positions, and that its authority is growing stronger in the country." At the same time, leading representatives of the "peace movement" to

which the DKP got itself overly committed keep deploring that there, due to the lack of mass, communist influence is altogether trifling. Who then could be telling a lie?

Both claims have to be looked at accurately. First one must praise the precision of language by the man from Moscow headquarters. He kept his verbs in the present tense: "is making headway," "is extending," "is growing stronger." So he kept to the truth, even in view of the minimal growth of but 1,626 party members in two and one half years and of only 103 DKP deputies in all FRG communal parliaments. His statement would have been wrong only if he had used the perfect tense, "has made headway," "has extended," "has grown stronger."

But even then he could have warded off the reproach of lying because the DKP has made much of its meager forces, especially with regard to the extension of "positions." With 50,000 members plus the active part of the Spartakus students league and the Socialist German Workers Youth--the chairmen of both organizations belong to the DKP executive--, it was able to plan for a great deal in the world of labor, the college scene, extraparlimentary organizations and amorphous "movements."

That worked out because the general antipathy against communism, while it continues, no longer nourishes the intent to keep communists if possible away from assuming influence and power positions. With such resistance falling by the wayside, there is hardly any longer any barrier to DKP success, however weak it may be. In industrial council, trade union and student elections something works all too often that would not have a chance in Landtag and Bundestag elections: The DKP puts its best people where it wants them to be. In the "peace movement" and the "citizens initiatives" with their darkling aspiration, their heterogeneity and their monomania, things work in fact still much more simply. There, communists in terms of Soviet goals could manage to become a "unifying factor." So one might then say about the astonishing remark by the Soviet Politburo member that it smartly avoids the untruth and altogether unfortunately contains much that is correct. Truth often is a quantitative matter.

What then is one to make of the indignation by the leading exponents in the peace movement over the contention that communist influence is at work in it? That is not so simple either. Sure enough, the influence from communist fellow-combatants is great but it is not by that token, if one comes down to it, a communist influence in the ideological sense of the word. The young members of the DKP and its two youth associations are throwing themselves into the "peace struggle," are setting up "nuclear-free zones" in, possibly, all apprentice workshops, and are highly successful in collecting signatures for appeals against American missiles. "Party work," however, they are not doing; the DKP gets little from it. Actually speaking, it is even given short shrift because it becomes kindling and par for the course, as it were. Since no one in this country cares for communism, let alone "real socialism," communists who want to be accepted as fellow combatants for any presumed good cause have to leave the books by Marx, Engels and Lenin at home, and the red flags, in the cloakroom. And that is exactly what they are doing.

And so, at a DKP Congress, the opinion that the party has "grown stronger" faces the complaint that it is weakening. A district chairman scorned his members, oblivious of all ideology, as "cosmetic puffs." When pride is expressed about successful participation in the "peace movement," the party executive responds with resignation and despair: "Submersion in movements does not benefit us." Thus the demand by exponents of the peace movement, that one should stop talking of communist influence on it, actually has something going for it.

What does this growing or not growing stronger of Moscow-beholden communism in the FRG then actually come down to? Perhaps it is this: The party of the 50,000 is to the most part not strong but weak and is rather weakening still more. If the executive succeeded in instilling an aggressive ideological spirit in them, the members would at once be shunted off everywhere. Ultimately they would become sectarian introverts; the sifted party congress delegates already gave a scent of it at times. At the same time, however, the leadership and a small core of personnel are getting tougher and stronger because generally diminishing resistance provides them with ever better chances for action. Who is there left in the country who would want to be called prone to a fear of contact with them or even be called an "anti-communist" by them--in the industrial councils, the student communities of both denominations, the citizens initiatives, the youth circles, or where else? In the end, Moscow headquarters, looking at the DKP, might actually be able to say that it had become strong.

5885

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## INTERVIEW WITH KNE LEADER KHALVATZIS

Athens ELEVTHEROTYPIA in Greek 12 Dec 83 p 13

[Interview with KNE Secretary Spyros Khalvatzis by Makis Giombazolias]

[Text] For the members of Greek Communist Youth [KNE], the KKE youth, the youths who claim the title of the most numerous, and who certainly can be characterized as the most closely-knit and perfectly structured political youth organization, the KNE congress which occurs every four years is surely the most important event. And from the standpoint that the congress, as its supreme organ, will examine in detail the organization's activity over the past four years and will specify its policy, goals and activity for the next four years, it is an event of wider significance in the country's political area. Because it is well-known that the youth are one of the basic supports, and one of the chief sectors of action and presence, for members of the Greek Communist Party.

These characteristics alone are enough to give the particular political mark of the Third KNE Congress which begins on 14 December in Athens at the "Party House" in Perisso.

The KNE members number tens of thousands, who are arranged in organizations in work places, in cities and neighborhoods, in villages and provincial areas, in universities, KATEE [Higher Technical and Vocational Training Centers], and schools. Nearly all took part in the conferences and deliberations which occurred in the months of pre-congress proceedings. And by an overwhelming majority, close to 100 percent, they approved the "Positions" of the KNE Central Council [KS] which include the final report and proposal for the organization's programming.

The data given to us report that, of the approximately 1,000 congress members, half will be workers and employees, and more than 50 percent are youths taking part in a KNE congress for the first time.

KNE was founded in 1968, within the dictatorship, and illegally, by decision of the KKE Central Committee Politburo. Its first congress occurred in 1976 and it kept as KNE secretary Dimitris Gondikas, today a member of the KKE Politburo and secretary of the Athens Party Organization. The second congress in 1979 brought to the position of KNE secretary the worker Spyros Khalvatzis, today 36 years old and a regular member of the KKE Central Committee. The third congress, which begins on 14 December, will decide whether another person will come into the KNE leadership, or S. Khalvatzis will remain, which appears more probable.



The composition of KNE members is: 37 percent workers and employees, 25 percent graduate students, 18 percent undergraduates, 10 percent students and 40 percent are young women. According to data supplied by KNE, its members have increased by 25 percent since the second congress.

With political guidance from the KKE Central Committee Politburo member, Deputy Grigoris Farakos, the KNE has had as its leading organ between the two congresses the Central Council, whose executive organ is the 16-member office headed by the secretary. The other members of the present, outgoing office of the KNE Central Council, some of whom will pass on to the party, are: Giorgos Grapsas, 30, worker and alternate member of the KKE Central Committee; Sifis Konstandis, 30, alternate member of the KKE Central Committee; Maria Damanaki, 30, chemical engineer and deputy; Angelos Khagios, 33, chemical engineer and Athens municipal councilman; Sifis Kavkalas, 29, surveyor; Khristos Tolis, 31, assistant engineer and secretary of the KNE Athens organization; Angelos Karaindros, 27, employee; Takis Gerolymatos, 26, worker; Dimitris Kondofakas, 30, economist; Takis Sembos, 29, mathematician; Kostas Papasoti-riou, 27, student; Bambis Angourakis, 32, electrical engineer; Nandia Valavani, 28, economist; Eleni Papaevthymiou, 29, biologist; and Dimos Foundalis, 31, assistant engineer.

A congress of struggle for peace and real change is the characterization given in advance to the Third KNE Congress by its secretary, Spyros Khalvatzis, in his exclusive interview to ELEVETHEROTYPIA which we publish below. He refers to all the issues which concern the youths and will concern the congress, he places himself, on behalf of KNE, against the government and its policy, he demarcates the KNE positions from the other political youth organizations, and he answers several "annoying" questions, giving a picture of the organization, its credo and its aspirations.

Question: What are the most significant issues which will occupy the Third KNE Congress?

Answer: It will be a congress of struggle for peace and real change. The problems of peace, of national independence, have taken on a particular acuteness recently, since deployment of U.S. Pershing and cruise missiles started. And in order to pursue real change in our country, we, as KNE, are trying and will try in our congress to give the youth, as clearly as possible, the positions of KKE as it worked them out in its eleventh congress. As concerns the very specific youth issues, certainly what will dominate in the congress are those which dominate every day in life, such as the great problem of young people's unemployment, problems in the area of education, issues of culture, of the way of life, etc.

Also, it is certain that the issues of the youth's struggle, side by side with the popular movement, for national independence, removal of the U.S. bases, withdrawal from NATO and disengagement from the EEC, the struggle for a missile-free Balkans, and the internationalist solidarity to all peoples fighting imperialism, particularly the suffering Cypriot people and its youth, will be at the center of the congress' cogitation. Naturally, we will also concern ourselves with our organizational issues, continuing the effort to improve the rates of KNE's quantitative and, primarily, qualitative climb.

Question: Let us take them one at a time. On the issue of peace and the Euro-missiles, what are the positions you will make at the beginning of the discussions? What will you answer to the accusation that you are attacking only the deployment of U.S. missiles, not Soviet ones? And how do you think the youth organizations can and should struggle for these issues?

Answer: We all know the mobilizations occurring throughout the world and in our country for the protection of peace, and primarily against the deployment of Pershing 2 and cruise missiles in Europe. Unfortunately, initiatives like the Greek Government's proposal for deferring this deployment in order to find solutions through negotiations were not listened to. We not only supported this proposal, we asked other youth organizations to join us in mobilizing ourselves to activate all the agents in this direction. The fact that such a thing did not become possible is not, of course, our organization's responsibility.

As concerns our position vis-a-vis the Soviet Union: The fact that the Soviets made proposals and actions, even concessions, so the disarmament process could proceed cannot be ignored. They agreed to withdraw SS-20 missiles, as many as possible, if the new U.S. missiles would not be deployed in Europe. They even withdrew 2,000 soldiers from the German Democratic Republic. And they swore that they would never be the first to press the button to use nuclear missiles, and guaranteed that any country which does not have nuclear weapons is not going to become a target. But these pacifist efforts found no response from the U.S. side. Certainly no one can accuse the Greek prime minister of being pro-Soviet and he said that the problem is being created with the U.S. and NATO's insistence on deploying new missiles in Europe. Nor is it accidental that bourgeois democrats in Europe are condemning this story.

With the Pershing 2 and cruise missiles, and their enormous capabilities for harming the enemy in the least number of minutes and with precision, the issue is no longer so quantitative as qualitative, if such a term can be used for weapons systems of annihilation. And the questioning of every logical person in our country and Europe is simple: How will the Soviet side confront the insistence of the Americans--who in fact cynically support the destructive, unrealistic view that a limited nuclear war is feasible--on deploying new weapons in Europe? Obviously, it cannot do anything but take steps.

Now, as concerns the efforts of KNE and other youth organizations vis-a-vis this situation, we should mention, aside from the peaceful anti-nuclear demonstrations thus far, the participation of all the Greek youths, except for ONNED [Youth Organization of New Democracy], in the Balkan young people's mass meeting, which occurred recently in Sofia, at the initiative of the Dimitrov Komsomol, for denuclearization of the Balkans. Interesting discussions took place there; it appeared that all the youths from the Balkan countries who took part are in agreement on this common goal and they will continue this cooperation.

#### Cyprus Issue Out of NATO

Question: As concerns the Cyprus problem, and the declaration of the pseudo-state by Denktas, it has been suggested that KNE's organized reactions have been lackluster. Notably, it has been said that in the march for the Polytechnic, the Cyprus issue did not dominate in the KNE slogans and placards. What do you say about this?

Answer: That is a lie. At the march there were too many KNE placards with slogans about the Cypriot issue (Hands off Cyprus, etc.), with caricatures of Denktas, Reagan, etc. If some people "did not see them," that is their problem. From the first moment Denktas' illegal action became known, KNE organized or participated in marches and other protest demonstrations in Athens, Salonica and elsewhere, with slogans against U.S. imperialism and the Turkish militarists' actions which it supports. We always upheld the Cypriot state's territorial integrity and independence, the right of the Cypriot people.

We believe that an international conference, in the frameworks of the UN, will give a serious push in this direction. We categorically reject the entrapment of the Cypriot issue in NATOist frameworks. Here I must point out KKE's position against the agreement on the U.S. bases in Greece, bases which not only do not serve Greek interests but, as has been shown with recent developments, seriously harm them. The developments in Cyprus confirmed once again that every concession to the Americans not only does not pacify them, on the contrary, it opens the way for new blows at the expense of national independence. We, as KNE, will continue in every way the demonstrations of support to the Cypriot people and condemnation of the efforts to bisect Cyprus.

Question: It is well-known that, in the school area, organizations or movements are being developed which have a political character and are controlled or aided by political youths, as is happening with you and the student movement "Young Pioneers." Do you think this is true?

Answer: There is a difference here. The "Young Pioneers" are 11 to 15 years old, while, for example, ONNED's student organization, MAKI [Student Independent Movement], has students in the lyceum. The "Young Pioneers" movement is something different. We have in front of us the obvious effort of the ruling class to alienate children, to pass on to them its perceptions, all from a tender school age. Through the old Sunday schools, the scout troops and, of course, the schools, the ruling class would like to pass on its ideology.

The "Young Pioneers" movement, which we support--we make no secret of it--can coalesce a portion of children and nurture them in the spirit of peace, of love for education, and for confronting the problems of their age group with as much responsibility as possible. Because do not tell me that children at these young ages do not have even problems of livelihood. It is enough just to mention the 60 to 65,000 minor employees under 15.

Question: Since we are talking about students, how do you explain the increase in strength shown by the student organization MAKI, which is on friendly terms with ND, during this year's student elections? What does this mean to you?

Answer: Yes, they really did have an increase in strength this year, from 11 to 12 percent to 17.5 to 18 percent. But this has nothing to do with conscious friends of the rightist faction. First of all, we have to deal with an unprecedented campaign by the Right to gather and show every strength and influence at its disposal, especially today when it does not hold the government. But we must not make all those students a gift to the Right. In schools, personal acquaintances and affections, cliques and friends, and so on, often have an influence. Last year, in a

school in Kolonos, the students tried to celebrate the anniversary of EPON [National Panhellenic Youth Organization] and ONNED collected ~~from students~~ at the school 150 signatures against the celebration in a notification. But when members of the student council went and talked with the students, only 44 signatures remained on the paper. The other students withdrew them and agreed to the celebration. So in no case should we make the children who appear to be increased percentages of the rightist student faction a gift to the Right. But, of course, we, as KNE, and the other progressive youths, must take care to activate ourselves so that the children have no reasons to follow conservative schemes. You see, now ND, from its position of opposition, has reached the point of peddling actual popular slogans and problems, and presenting itself with a people-loving face. Of course, the Right can deceive few people when it laments about unemployment, to which its own policy led. But the responsibility for this capability of the Right belongs to the government, whose policy offers no essential solutions. The only way one can pull the rug out from under the Right's feet is to take measures of an anti-monopolistic nature, which would truly help the workers and youth. Then the Right's demagogy will be left in the cold.

Question: As concerns the activity of various fascist-type youth groups, do you view the phenomenon as extensive and dangerous?

Answer: In any case, it is a problem, but not with excessive dimensions. After the return of democracy, these fascist groups expressed themselves with window-smashings, vulgar slogans on walls, and anticommunism. Very slowly, some of these elements penetrated, or became accepted in, the bosom of ONNED. One area in which these elements also succeeded in acting is the factionalized groups of young, hot-blooded sports fans. All those who sometimes after large soccer matches hit and break anything in front of them, or attack the KKE offices, we do not think of as fascists. But through the fanaticism of soccer, fascist cells act and influence. More serious measures are needed in the soccer area, where even swastikas are appearing, and in other places where such elements are being activated. Measures from the state, and vigilance and common action by democratic youths, as happened last year in Kypseli after the murder of the young political refugee by a fascist group.

#### Cooperation With Other Organizations

Question: Really, what is the present situation, and what are the possibilities of cooperation between KNE and the other large political youth organizations?

Answer: KNE has as its standard the policy of unity of young people's activity. Unity and common action went through the avenues, entered narrow passages and now are passing through pathways. We think it is not our own responsibility. At present there is a field of cooperation and common action of youths, primarily on issues of protecting peace and in the defense against the assault of the establishment's reaction against democratic gains by students in confronting the activities of fascist circles, etc. Thus far, we have cooperated very much, and we are trying to keep on cooperating, with the PASOK youth. Whenever this happens, the results are positive for all young people.

"Rigas Feraios"--at least its leadership--perceives unity in a manner contrary to KNE. It is the "anti-dogmatic," as they call it, direction of its party machine.



Its policy does not strengthen--on the contrary, it impedes--the anti-imperialistic, anti-monopolistic orientation of the youth's struggles. For example, after being forced to readjust several of its positions, it now talks about the problem of unemployment, but calls on the government to solve it through the directives of the EEC, in which, as you know, the number of unemployed has reached 12.5 million people, a great percentage of whom are young people. It talks about peace, but in an anti-Soviet direction. It talks about the problems of enlisted youths and limits these almost only to civilian clothes and hair length; it does not refer seriously to the need for a fundamental democratization of the armed forces which presupposes a release from dependency, from NATO.

As for ONNED: What cooperation can one see.... Shall we talk about peace? When they say that the U.S. bases we have are not enough and we must bring others. Shall we speak against the missiles? When they applaud the deployment of Pershing and cruise missiles in Greece. Shall we talk about the unemployment of young people? When ONNED is a supporter of that policy which is creating unemployment.

Question: Let us look now at some of the issues in your organization. Some say that KNE is a concentric political youth organization which coerces its members. And they connect this with some expulsions or departures of your members.

Answer: To begin with, there have been no expulsions or departures recently. Such impressions were created by a text which was signed years ago by 400 who were expelled or were departing at times from our organization. Now, how many of these were really KNE members is another story. Within the organization, the democratic process is an indispensable condition of operation. For example, in our pre-congress period, there have been sectional conferences, conferences of zones and districts. There were many discussions and much criticism. The fact that, through such processes of internal democracy and criticism, the positions of the KNE Central Council on all the issues under discussion were voted against by only three to four members, out of a total of thousands who voted for them, is for us a gratification, a qualitative advantage, and eminently partisan. The resolutions were almost unanimously passed. And the delegates who were elected for the congress in all cases received 90 to 100 percent of the votes. For us, these facts mean that the organization approves the KNE Central Council's positions which are based on the positions of KKE. If this bothers some people, what can we do....

Question: But they think there is a permanent instability at the base of your organization, as new members come in, but also old ones depart.

Answer: I do not know what they mean by this. If they mean our old experienced members, who pass on to the party from time to time, as is natural and honorary for them and KNE, this, of course, is not a loss--far from it. The percentage of new members who enlist in KNE is increasing constantly. Of course, there is always a portion of these new members which is not assimilated along the way, for many varied reasons; for example, because at young ages they cannot always endure the demands of organized life and activity. But, to an overwhelming majority, those children who do not remain in the ranks of the organization do not stray far from it; they struggle in the labor movement, in the trade unions.



Our organization numbers tens of thousands of members today; it advances, year by year, quantitatively and qualitatively, and our members win, through mass struggles, the confidence of young workers and students.

And that is the important thing for us.

Question: Do you accept the opinion that in recent years there has been a decrease in the brilliancy of political youth organizations? And if there has, what are the reasons for it?

Answer: For years now, when the issue has been discussed, people have said that the young people have an abhorrence and indifference about the political parties.

For us, however, such an issue does not exist. On the contrary, our organization shows a steady organizational and qualitative development at all levels. As an example, I mention our organizations in the factories, which are constantly growing. I remember that, in 1975, at the sixth KNE Central Council congress, a stable course and direction was mapped out in the factories, but also in the young students. And since then we have been developing constantly.

But I should clarify something. Many people compare the first years of the return to democracy--when there was another movement of the masses and youth--with today. It was another time.

Today, the youth movement has many qualitatively different characteristics. Working and employed youths are advancing more intensely their pioneer role in the youth movement. The struggling youth coalitions, which are projecting ripe and specific targets for battle in an anti-imperialistic, anti-monopolistic direction, are increasing and are being coordinated with the popular struggles.

All of these are, in our opinion, the signs of a new struggling dynamics in the youth movement; they portend its even more steady, painless march at the front of the forces struggling for real change, for a new Greece.

Question: Shall we look now at your positions concerning the more important problems of young people in our country?

Answer: First and foremost is the problem of unemployment. Unemployed youths are demanding that measures be taken to create new jobs and develop state investments. We know that the problem of unemployment is not being solved within capitalistic conditions, but we believe the prerequisites exist for a series of anti-monopolistic measures which can limit the phenomenon. The prime minister himself has characterized it as an unacceptable situation. But while jobs are constantly being created on paper we do not see them in practice because the appropriate measures are not being taken.

And the problem is being continued and accentuated, with many dangers. Because, as Marxism stresses, if man was and is molded by work, today's increasing unemployment certainly has serious repercussions on the formation of the young people's character.

## Discriminations in Education

Question: In the area of education, do you agree that there is a serious problem of studies being downgraded, and what do you think should be done to deal with the educational problems?

Answer: In our congress there will surely be much discussion about the issues of young people's education since it is commonly recognized that the situation in education is not at all good. One basic reason is--we believe--the low state expenditures for education. In 1983, these expenditures were only 9.8 percent of the budget and, for 1984, no substantial improvement is provided. We do not accept the argument that there is no money for education; we only have to refer to the purchase of Tornado aircraft by our country, which we believe under no circumstances serves even our defensive needs, but they are included in the NATO specifications and will cost as much money as the present budgets for education for decades!

The crisis in our educational system is also expressed, however, in the content and orientation of the studies--antiquated books, survival of reactionary viewpoints, and, in some cases, research to the benefit of the monopolies. The wealth of knowledge is not exploited to the people's advantage. And what shall we say about the value of diplomas which come close to being a ticket for unemployment, with the thousands of unemployed graduates. On the other hand, there has been discussion lately in the bosom of EEC about "assimilation of diplomas," as they call it--for example, making the diploma of a Greek architectural engineer with five years of study equal to the corresponding diploma of a West German with three and one-half years of study. Anyone understands what this will mean, whereas the justice minister's purposes in giving a lawyer's license only to those who receive the law diploma with a grade of at least six and one-half are not understandable.

There are, in all of our education, intense discriminations against children from poor families, particularly the working class. There is the contrast of schools in working neighborhoods to wealthy colleges. They are still the foster child who follows. And we must mention that a result of the class barriers in education, as we characterized the Right's panhellenic examinations, is the fact that, while six or seven years ago children from the working class who entered the Polytechnic, for example, accounted for 9 or 10 percent of the total admitted there, today they are 2.5 to 3 percent.

Other problems are the proportion of teachers to students, which is 1 to 20 in Greece, while, for example, in the German Democratic Republic it is 1 to 6, and the low percentage of scholarship students, which is 3.3 percent in Greece, while it is, for example, 90 to 95 percent in the Soviet Union.

In the legal framework for AEI [Supreme Educational Institutions], among whichever of its regulations are in a positive direction, one discerns problematic regulations for the post-graduate schools which, it is provided, are to be created outside of the pre-graduate schools, and for us this involves dangers of diplomas being further downgraded. There are problems in research, both in the structure and in its financing, and of course the serious problem of the School of Public Administration which will take AEI competencies. Measures have ~~not been taken~~ thus far on behalf of working students, who are many, and the things enacted on paper are not being implemented because the authorities say there is no money.

There was extensive discussion about all these problems of education in our pre-congress proceedings, particularly in Athens and Salonica and in the KNE student organizations. Our proposals originate from the fact that a change of course in government policy is needed. We seek nine years of compulsory school and a uniform, multi-branched lyceum.

For the AEI, we seek measures for anti-monopolistic development and new orientations in the programs of study. We have made specific proposals for technical and vocational education and the schools which were formerly called KATEE, proposals which originate from our realization that the bad situation in this area is owing, to a great degree, to its dependence on the decisions of foreign centers, particularly international banks.

Our overall opinion is that the ruling class is seeking for semi-specialized personnel to come out of the AEI, while universities in England, the United States and West Germany are assuming the job of providing seriously specialized officials. And this situation, which the policy of the Right imposed for years, we unfortunately do not see essentially changing so far.

The united struggle of the young people, of all the democratic forces, for the democratic restoration of education, is needed. In this struggle we consider it necessary for a unified front of education, graduate and undergraduate students, professors and agents of the popular movement to be formed.

#### Students Are Not Immature

Question: How do you regard the behavior of those students who, reacting perhaps to this situation in education, are giving up any effort to better it and are expressing themselves violently and in a completely negative way?

Answer: We do not accept at all the repudiation of education. We are fighting to change the present situation in education. And we believe that the struggle for changes in programs of study, and for the students' essential participation in the educational processes, can help decisively. We will steadily persist in this. There are, of course, students who are discouraged.

We must consider that the Right has invested in precisely such a situation, which its educational policy has created, in order to defame the entire student movement.

But behaviors which are considered "incomprehensible" by many older people, particularly when they come from school-aged individuals--it is not correct for us to consider them behaviors of empty reaction, but we must perceive them as behaviors resulting from the impasses of today's youth. It has been heard that the present school-aged youths are a little more bewildered. This is a mistake. The student youths are mature, they know to struggle, they are politicized. And, for the problems of entertainment, lack of free time, or lack of correct possibilities to utilize it, they are making efforts to escape from the circles which want to impose on them what they will dance, how they will amuse themselves, etc. It is characteristic that, in all of Greece, around 1,500 amateur youth groups are now operating in schools and universities, in municipalities, in factories, and in neighborhoods and are developing a rich artistic and cultural activity based on the wealth of

Greek popular progressive, cultural creation, but exploiting anything correct and creative from other peoples. They are hearths of creation, of collective life, and of formation of a struggling stance vis-a-vis life and the problems they face.

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## LIST OF DELEGATIONS TO COMMUNIST YOUTH CONGRESS

Athens RIZOSPASTIS in Greek 14 Dec 83 p 3

[Text] The Third KNE [Greek Communist Youth] Congress is a forum for international solidarity. The following 65 delegations from foreign organizations gave notice of their participation and arrived in Athens on 12 December:

Leninist Komsomol, Dimitrov Komsomol, World Federation of Democratic Youth, Union of Socialist Youth of Czechoslovakia, Free German Youth, Union of Young Communists of Cuba, Union of Communist Youth of Hungary, Union of Socialist Youth of Yugoslavia, Union of Revolutionary Youth of Mongolia, Union of Communist Youth of Romania, Union of Polish Socialist Youth, "Ho Chi Minh" Communist Youth of Vietnam, Pan-Indian Youth Federation, Democratic Youth of Bahrain, Democratic Youth of Jordan, Democratic Youth of Saudi Arabia, Communist Youth of Palestine, Socialist Youth of the People's Republic of Yemen, Revolutionary Youth Union of Syria, Union of Sudanese Youth, Union of Democratic Youth of Lebanon, General Union of Palestinian Students, African Congress-Youth Department, Revolutionary Union of Ethiopian Youth, SWAPO Youth Union of Namibia, Community of Kurdish Students in Europe, Democratic Students' Federation of Pakistan, Democratic Youth Union of Syria, Union of Communist Youth of Israel, Federation of Iranian Democratic Youth, Union of Democratic Youth of Egypt, Democratic Union of Youth of Finland, Swedish Communist Youth, Union of Communist Youth of Sweden, Union of Communist Youth of Malta, Communist Youth of Denmark, International Union of Students, Union of Socialist Youth of Australia, Union of Communist Youth of the United States, New Jewel Movement-National Organization of Youth of Grenada, Colombian Communist Youth, Vanguard Youth of Costa Rica, Communist Youth Movement of France, Union of Young Communists of Catalonia, Polisario Youth Front, Marxist Student League Spartakos (FRG), Union of Socialist Youth Karl Libknecht (West Berlin), (TOUNTEKH) Youth, Communist Youth of Portugal, Brazilian Communist Party Youth, Youth Organization of Mozambique, Progressive Youth of Turkey, Socialist German Labor Youth, Communist Youth of Chile, Communist Youth of Paraguay, Communist Youth of Venezuela, Federation of Communist Youth of Argentina, Communist Youth of El Salvador, Farabundo Marti Front of Movement for National Liberation, Sandinista Youth 19 July (Nicaragua), CIMEA, EDON [United Democratic Youth Organization] of Cyprus.

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## BENKOW VOWS TO RETAIN CHAIRMANSHIP AT CONSERVATIVES' CONGRESS

Oslo AFTENPOSTEN in Norwegian 21 Jan 84 p 3

[Article by Egil Sundar]

[Text] Jo Benkow will run for re-election as party chairman at the Conservative national congress in August. No one will run against him. Thus it seems clear that Benkow will continue in his dual role as Conservative chairman and parliamentary leader when fall comes around. The present 1st vice chairman, Hakon Randal, is expected to be succeeded by Storting representative and former Trade Minister Arne Skauge, while as far as we can determine, Storting representative Kaci Kullmann Five will be re-elected as 2nd vice chairman.

The Conservative election committee under the leadership of cabinet minister Astrid Gjertsen can get started on practical discussions when the committee has received final word as to whether or not the members of the executive committee want to seek re-election. They must decide by 7 March. The only response officially made so far is a statement from Hakon Randal that he will not run again for the post of 1st vice chairman. As far as AFTENPOSTEN has been able to ascertain, both Benkow and Kullmann Five have declared themselves ready to remain in their leadership positions.

Many have raised the question of whether in view of the current situation for the Conservative Party it is appropriate to have the same person acting as both party chairman and parliamentary leader. Here there are unquestionably factors both for and against. The work load that is involved in a complete effort in both these demanding functions is an argument for a different distribution of the burden. But if one places the major emphasis on a united and unified behavior, it is reasonable to draw the conclusion that a split into several power centers could have an unfortunate effect.

If Benkow declined re-election, it would probably lead to a lengthy and difficult personality debate lasting all the way to the holding of the congress in August. And it would not be easy to assert his rights as chairman--an authority for which there is a definite need at this time. There seems to be a widespread feeling both inside and outside party circles that

an effort should be made by all to avoid a disruptive internal party conflict and that all forces should be concentrated instead on the major political tasks.

It would be different, of course, if there was an obvious alternative candidate to run against him, one the party could agree on. That does not seem to be the case today. Among the many capable younger successors in the party, there is no one who could fully take Benkow's place at this time. That means the outcome of an election would be evident in advance.

Even so, the election committee will have to evaluate the question of the chairmanship in light of the recent discussion of a possible division of the top posts. Anyone familiar with political life will know that there is an enormous work load connected with being both party chairman and parliamentary leader--most people would probably find it inhuman. Even so, when most parties have chosen one person to fill this dual function, as the Labor Party, the Center Party (before the government was formed), the Progressive Party and the Conservative Party have done, it is partly because the work load is not automatically lessened by dividing the two jobs.

If the positions are divided between two people, both of them must participate in all important meetings where policy is established and decisions are made. Coordination and the use of their time can be even more difficult. As the leading government party, the Conservatives would actually get three political leaders by dividing things up, all of whom would speak on behalf of the Conservative Party by virtue of their positions. Most people think such a division into three leaders would be unfortunate. The more divided the leadership is, the greater the danger that seemingly contradictory statements and disagreements will be utilized and interpreted as internal conflict by an alert press.

After the Conservatives' ignominious defeat in the municipal elections last fall they were naturally concerned with finding explanations, reasons and in particular scapegoats. The soul-searching in recent months has presumably taken care of most of this. There is much that could have been done differently and better. But as many people have pointed out, there is little reason to believe that the party's political problems will be eliminated by organizational shakeups or a different division of roles. The point is to learn from the mistakes that have been made and to implement a party strategy that is adjusted to the conditions and needs of a new situation.

It was also widely held both in political circles and in public opinion that Benkow made a very strong contribution to the campaign. No party chairman has ever worked harder. According to opinion polls taken after the political radio and television programs concerned with the election, Benkow came out on top overall. There can be little doubt that the Conservative chairman is well-liked by ordinary people.

The debate on the top posts is connected of course with the fact that the responsibility for the party's situation always lies with the chairman, even if he is not always the guilty one. Criticism of the national budget, the car tax and other issues that have been poorly received have hit the chairman at least as hard as the prime minister. But it is typical for both that they have never "blamed" each other for anything or tried to evade responsibility or shift it onto other people.

Many have made the mistake of comparing Benkow's present difficult situation as chairman where he has to take the blame for what the nonsocialist coalition government does with the happy period when the party was in the opposition and made big gains under Erling Norvik's leadership. There is no basis for this kind of comparison of people, situations and periods.

When the Conservatives elect their executive committee this year, many will probably recall the party's situation when Benkow took over the chairmanship half a year before the 1981 Storting election. The party was then in the middle of a lacerating dispute on abortion and it lay around 28 percent in the opinion polls. Benkow steered the party through that conflict in a safe and unifying fashion. Nor will his contribution during the last Storting election be forgotten.

Benkow's work load will depend on how effective the deputy chairmen in the party and the Storting group respectively are. This is obviously no problem in the Storting group. But many people think Benkow deserves to be relieved of some of the party tasks, so that he can concentrate more on political ideas, planning and independent party initiatives. Benkow certainly understands that if he continues in his double function as party chairman and parliamentary leader he must find working forms that make it possible to give top priority to important political tasks.

The situation in which the Conservatives find themselves now calls for equanimity and continuity as well as a dynamic, involved leadership with faith in their own cause. That is the new challenge Benkow must deal with after the government was expanded from a Conservative government to a three-party government.

The question the election committee must answer is who Benkow should have with him on the new executive committee. As we mentioned earlier, 36-year-old Arne Skauge, Storting representative from Bergen and a former cabinet member, is one of those who will undoubtedly stand out as a possible successor to Hordland representative Hakon Randal as 1st vice chairman. He has a fiery political involvement, he is an aggressive debater with a charming temperament and he is ambitious. By electing Skauge, they could satisfy the demands of reasonable geographic distribution of the top posts, something that has traditionally been assigned great weight in the Conservative Party. That is also one of the reasons why Kaci Kullmann Five, 33 years old, a Storting representative and mother of two from Baerum, is unlikely to get the promotion she so richly deserves--considering her outstanding efforts on behalf of the party. But an executive committee post seems guaranteed.

Other names besides that of Arne Skauge could be brought up by the election committee in connection with the 1st vice chairmanship. For example, we should mention Fisheries Minister Thor Listau (45) from Finnmark and 37-year-old Storting representative Anders Talleraas from More og Romsdal. They both represent political attitudes with solid roots among a broad group of nonsocialist voters.

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CSO: 3739/60

## COMMUNIST PARTY CENTRAL COMMITTEE PRESENTS ARMS PROPOSALS

Oslo AFTENPOSTEN in Norwegian 17 Jan 84 p 5

[Article by Liv Hegna]

[Excerpt] The American missiles for Europe must be returned and the Warsaw Pact lands must stop their counter moves. The Geneva talks must be resumed and a new strategy should be worked out for peace activity and efforts for a Nordic nuclear-free zone must be given new life. Those were the main elements emerging from a central committee meeting of the Norwegian CP that was held on the weekend. The party appealed to the middle parties to provide as big a majority as possible in Storting for nuclear-free zones.

Norwegian CP chairman Hans I. Kleven: "There is a symbolic but morally obligating force behind the resolutions passed by county councils, city councils and city district committees on nuclear-free zones."

Why is the Norwegian CP leaving Iceland out of a Nordic nuclear-free zone?

"We are following Kekkonen and Palme on this point. It would probably be desirable to include Iceland, but it would not be very realistic from a military policy point of view," said Kleven. Asked if the Norwegian CP is in favor of mutual inspection rights for both East and West, he replied that the party is in favor of implementing the necessary control measures to insure compliance with a possible zone treaty.

Kleven also said that the Norwegian CP supports the dissolution of power blocs and favors a continuation of the Helsinki declaration. However the party has little faith that the Stockholm conference will produce any big tangible results.

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## FINNAIR CHIEF QUESTIONS PLAN FOR MILITARY AVIATION INDUSTRY

## Rejects Company Construction Role

Helsinki UUSI SUOMI in Finnish 6 Jan 84 p 22

[Article: "Finnair Does Not Want To Become Aircraft Builder"]

[Text] Finnair is rejecting the role being offered it to become an aircraft manufacturer. General Manager Gunnar Korhonen states in reference to the proposal of the Aviation Industry Committee that the company is ready to consider opportunities for participating in operations in which aircraft would be maintained. But the company does not want to become involved in any way at all in the manufacture of new aircraft.

The committee, which has been under the direction of Counselor of Mining [an honorary title conferred on leaders of industry] Uolevi Raade, recommended a couple days ago that the Finnish Aircraft Industry be protected by establishing a new aviation industry unit, in which the carrying force would be Finnair. Valmet, under which the aircraft plants in Kuorevesi operate, is, for its part, ready to give up its aircraft construction efforts completely.

When Raade's committee submitted its report on Tuesday, a statement from Finnair regarding the role reserved for it was not available because General Manager Gunnar Korhonen was on a trip abroad. Raade, however, stated that Korhonen had been heard in the committee. The committee was under the impression that the general manager had adopted a positive attitude in principle to the fact that Finnair would be included in the new company.

Raade's impression of Korhonen's opinion was, however, unnecessarily optimistic. Gunnar Korhonen stated to HUFVUDSTADSBLADET, which contacted him on his trip, that he had stated to the committee that Finnair, if so inclined, would be ready to consider whether the company can in some form participate in the maintenance of aircraft or in the transfer of aircraft being imported to Finland. Korhonen emphasized the wording "if so inclined" since "the company is not particularly interested in taking on such an obligation".

"The planning and construction of new aircraft is a completely different matter. It is completely foreign to us and I am especially skeptical about it. I am a realist with respect to Finland's capacity to manufacture aircraft.

We are ready to support the defense forces, but we do not want to enter into areas with which we are not familiar," emphasizes Korhonen.

#### Commission Report Criticized

Helsinki UUSI SUOMI in Finnish 6 Jan 83 p 2

[Editorial: "Aircraft Plant for Finnair?"]

[Text] Finland's aviation industry difficulties reflect in microcosm those difficulties with which this industry is struggling in the rest of the world. The number of passenger aircraft manufacturers can already be counted on one hand and the production of military aircraft as well is being concentrated in the hands of fewer and fewer companies.

The committee which has studied the future of Finland's aviation industry is proposing that the future of this industry be protected by forming an aviation industry entity primarily owned by Finnair, which, in fact, would be the same as the Kuorevesi Aircraft Plant now operating as a part of Valmet.

Valmet would readily give up this operation even though the state-owned aircraft plant was one of those plants which when combined was at one time a progenitor of Valmet. The plant is a burden to Valmet, which is struggling with losses. The primary burden in recent times has been the now already completed domestic basic training aircraft project, which progressed only when funds were allocated for it in the budgets.

The committee's proposal to transfer the aircraft plant to Finnair's protection is surprising in that the airline has not in any connection been and probably will not even in the future be a client of the domestic aircraft industry. The only client of the state owned aircraft plant and subsequently of Valmet has been the Finnish Air Force.

The possibility comes to mind that the idea behind the proposal to involve Finnair in the aircraft industry is to obtain reciprocal purchase agreements in connection with the procurement of new passenger aircraft. The procedure has been used in the procurement of equipment for the Air Force in purchases made from England and the United States.

However, it is known that our national airline has so far adopted a rather indifferent attitude toward the possibility of reciprocal purchases. It wants to buy its aircraft under the most favorable conditions. And as the manufacture of passenger aircraft threatens to become an almost monopoly venture in Western countries, the negotiating opportunities of the buyer will continue to diminish. The concept of reciprocal purchases is, moreover, not beneficial to a small country from the point of view of trade policy.

Finnair's position regarding the role outlined for it by the committee is not exactly known. The company's general manager happens to be on a foreign trip this week. However, Finnair has not previously been involved in any

kind of manufacturing industry and it is administratively under the jurisdiction of the Communications Ministry. Chairman Uolevi Raade of the Aviation Industry Committee has until now emphasized the great difference between industry and a commercial enterprise.

However, the committee must be joined in principle in the view that a renewed manufacture of aircraft is needed in Finland. This is already imperative for maintaining a sufficient technical readiness for the procurement and maintenance of aircraft purchased from other countries.

The committee was not, however, able to outline more accurately the types of aircraft that would be possible for us to manufacture. Even under the best conditions the implementation of the committee's idea will take so much time that the production lines at the Kuorevesi Plant will come to a halt.

Perhaps there would thus be reason to give up the idea of building a modern aircraft from the bottom up and be satisfied with cooperation and manufacture under license. The prototype line would not be developed beyond the training aircraft stage and this type of aircraft, on the other hand, has no defensive significance. The problem however, is the fluctuations in manufacturing under license.

There is reason to promote a clear-cut line with respect to the future of our aircraft industry. Unfortunately, a committee of experts was not, however, able to provide a sufficiently clear outline.

#### Possibly Last Domestic-Designed Plane

Helsinki HELSINGIN SANOMAT in Finnish 6 Jan 84 p 8

[Article: "Many Given Layoff Warning at Kuorevesi"]

[Text] Tampere--Ten employees of Valmet's Kuorevesi Aircraft Plant have been issued notices of a possible layoff. Fourteen employees have been laid off for a year already and many have had to retire. At this time the jobs of at least 47 individuals are in danger. Presently, Finland's only aircraft plant employs a total of 540 people.

Valmet, a state owned company, is not interested in the manufacture of aircraft. Counselor of Mining Uolevi Raade's Aviation Industry Committee has proposed another large state owned company, Finnair, as the new primary owner of the Kuorevesi Plant.

The changes proposed by Raade's committee were first felt to be a help at Kuorevesi: operations would continue anyway. However, the feeling is once again gloomy. Valmet's work force senses some new dangers ahead.

Even Turbo-Vinha Uncertain

The path from the actions proposed by the committee to actual operations is very long, states Heimo Ekman, the chief shop steward at Valmet's Kuorevesi Plant.

The situation in Ekman's opinion seems to be rather bad from the point of view of dozens of aircraft manufacturers. The people at the Kuorevesi Plant are even uncertain about whether the manufacture of its own so-called turbo-Vinha aircraft can be continued although its initial prospects have been good.

"If the turbo-Vinha is not built, the situation will have to be completely reevaluated at Kuorevesi," states Personnel Director Martti Hemivirta of Valmet's Defense Equipment Group.

The turbo-Vinha is a significantly improved version of the Vinka aircraft, which has not sold on the world markets.

#### "By Our Own Efforts in All Situations"

The turbo-Vinha should assume the shape of an aircraft by autumn and it should make its first flight early in 1985. There is always sufficient work in the area of maintenance, but even in Finland it is imperative to maintain the skills to put together an aircraft by one's own efforts in all situations, say the people at Kuorevesi.

Aircraft builder Jussi Selanpaa, who has been assembling the Hawk training destroyer, is of the same opinion. Jussi has been an aircraft assembler at the Kuorevesi Plant for 22 years. Jobs have changed over the years and in his opinion considerable experience has been gained from them.

However, even in Jussi's opinion the mere assembly of ready-made parts is not sufficient. Aircraft construction skills are best maintained when an aircraft can be built from the bottom up.

The Halli Garrison, whose commander is Lieutenant Colonel Pekka Kanninen, the director of the Air Force Technical School, is located at a distance of 4 kilometers from the aircraft plant. The runway for test flight is near the plant. It is being continually improved.

#### Maintenance Work Employs 150

The garrison works in good cooperation with Valmet's plant. Maintenance work for the Air Force alone employs 150 people at the aircraft plant, states Lieutenant Colonel Kanninen.

The distressed employees of Valmet at Kuorevesi can at least count on the stability of the garrison. The Air Force will continue to need reliable professionals from among the people at the plant and also their cooperation.

"Indeed, I would be immensely surprised if present construction activities were abandoned completely," states Municipal Director Pentti Asunmaa.

"Also much work has been unanimously accomplished in the municipality on behalf of the aircraft industry and aviation. Every effort possible has been made to retain jobs. Services and general conditions in the municipality are good," estimates Asunmaa.

## New Businesses Welcome

According to Asunmaa, there is no reason for the feeling of despair at Kuorevesi. Retaining know-how in this area is especially important even according to Asunmaa and the means should be provided for this. "Even if we make missiles, if not airplanes, we will at least have to maintain them," he laughs and strongly believes in the future of Kuorevesi as a center of the aviation industry.

Asunmaa is a reserve officer and understands the problems of the Air Force. The garrison and Valmet have always been a natural part of Kuorevesi.

New businesses are also welcome in this small, exceptional municipality in Pirkanmaa. The distance from here to Helsinki is 250 kilometers, to Tampere 90 kilometers, and to Mantta 20 kilometers.

There are more than 3,300 residents in the municipality. Nearly half of the population lives in its center, Halli, in which the small town square is dominated by a real airplane placed on a pedestal, the old Gnat-destroyer, as if it were a trademark for the municipality.

Kuorevesi has pure water and beautiful surroundings and the people have their very own philosophy if one measures issues in an order of priority.

An example of this is the municipal administration building, which really does not exist. It is only an old barrack-type store, in which the municipal leadership feels comfortable. Good services and the retention of jobs are more valuable than beautiful office buildings, says the director of this aircraft community, who also boasts of his catch of whitefish.

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## NAVY GETTING DOMESTICALLY-PRODUCED MAGNETIC MINES

Helsinki HELSINGIN SANOMAT in Finnish 6 Jan 84 p 9

[Article by Olli Hakkarainen, Martti Heikkila, and Jaakko Vitikka: "Domestic Magnetic Mines Being Procured for Navy"]

[Text] The Navy's procurement of magnetic mines from the Soviet Union last spring is leading to their production in Finland also. The traditional contact mines being held in reserve are also being equipped with magnetic detonators. As far as is known, preparations were made for this project already before the procurement from the East.

A clarification was made in connection with the purchase of the Soviet mines that the USSR and Great Britain will not consider that the conditions of the 1947 Paris Peace Treaty prevent the use of modern magnetic mines in Finland's defense forces.

According to Article 17 of the Paris Peace Treaty, "Finland may not possess, produce, or test...naval mines detonated by means of a sensitivity mechanism and which explode upon contact...". Thus this point in the peace treaty has received a new interpretation. The so-called missile clause was already re-interpreted earlier.

Everything is completely ready for the domestic production of magnetic mines in Finland. A microelectronic adaptor, which will make it possible to build the magnetic detonator, has been developed at Oulu University. The research on this project, which has been classified secret, has been going on for several years.

#### Extensive Cooperation

The Finnish electronics industry is at the present time involved in rather extensive cooperation in the area of arms development. Nokia Electronics, Aspo Electronics, and Valmet's Defense Equipment Group, among others, have been involved in magnetic electronics.

As far as is known, the electronics plant Functa Inc., which is now under the ownership of the Esmi Company, has also been involved. Functa previously

belonged to the Rilke companies, which were founded by the late Ilmari Liik-kanen, Ph. D., an expert in ballistics, and the father of the light bazooka.

Kemira's Vihtavuori Plants and the Forsiitti Company in Hango, which is primarily under Swedish ownership, will probably deliver the explosives for the Finnish magnetic mines being developed.

A plastic casing, which if needed can be produced by many different kinds of firms, is being designed for the Finnish magnetic mine.

#### Electronics for Grenades Also

The Army will also benefit from the new knowledge gained from the magnetic detonators. New types of magnetic grenades are being developed for the 23 mm Sergei antiaircraft cannon and mortars. Also it is intended to equip the new Finnish antitank flank mines with magnetic detonators.

Antiaircraft grenades are being manufactured at Hackman's Leppavirta Plant. The small-bore ai-grenade equipped with a magnetic detonator could become a marketable export item if so desired.

The flank mine is being manufactured in Finland by Hackman's weapons division, and it is also striving to enter the export markets with this item. The flank mine will also be used for peaceful purposes as an explosive used in mining, and the flank mine invention has already been patented in various countries under Finnish names.

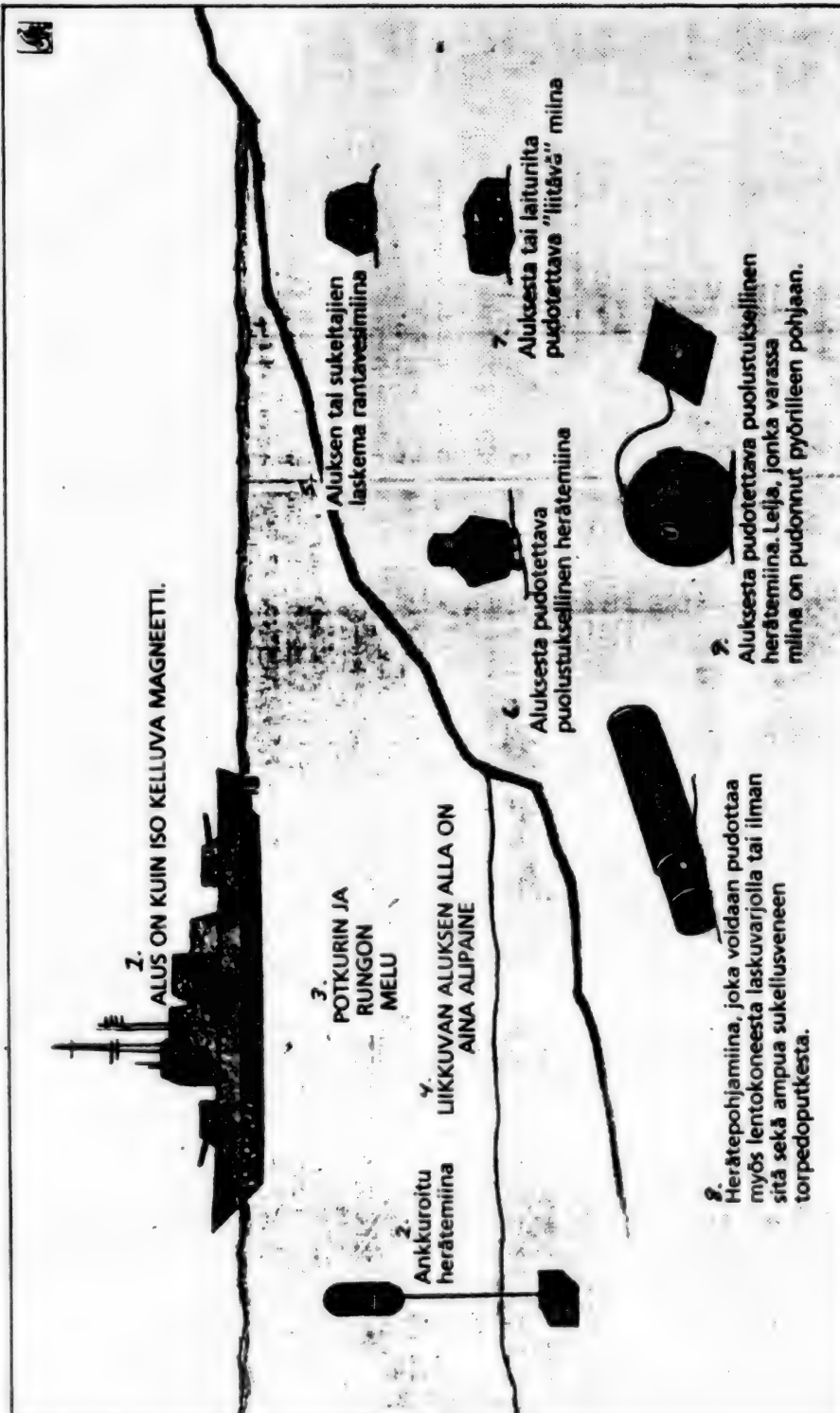
Lieutenant General Pentti Vayrynen, military economics chief of the defense forces, has frequently taken a stand on Finland's weapons exports, as he did in a memorandum in July 1981.

In the memorandum Vayrynen states: "Our defense readiness unconditionally depends on a certain level of domestic defense equipment production. The permitting of supervised exports is a necessary condition for maintaining production capacity. Inasmuch as export opportunities come to an end, the cost of maintaining a production readiness will represent a considerable expenditure item in the annual budgets as well as a continuing burden on the national economy."

#### Horn Mines Being Renovated

In addition to the new naval mines, magnetic detonators will be installed at least on a portion of the present contact mine equipment. As far as is known, preliminary work to make this change possible has been already completed at the Navy's mine storage facilities at the Turku Naval Station warehouse in Skinnarvik, among other places. The modernization of mines is in itself quite easy. The lead-sheathed horns are removed, the detonators are changed, and a mooring cable is attached.

The Navy will not give any exact figures on the number of mines in storage facilities, but there are thousands.



Key:

1. Ship is like large floating magnet
2. Anchored magnetic mine
3. Propeller and hull noise
4. There is always pressure under a moving ship
5. Coastal water mine lowered by a ship or a diver
6. Defensive magnetic mine dropped from a ship
6. Defensive magnetic mine dropped from a ship
7. "Floating" magnetic mine dropped from a ship or a pier
8. A bottom magnetic mine, which can be dropped from an aircraft also by parachute or without as well as shot from a submarine.
9. Defensive magnetic mine dropped from a ship. Kite by means of which mine is dropped on its rounded bottom side.

When the Winter War began, Finland had 3,000 mines in storage, of which 1,600 were laid. In the years 1941--45 the Finns, Germans, and Russians laid more than 60,000 mines in the Gulf of Finland. The importance of mines in Finland's coastal defense is emphasized by a comparison with mine laying in the Mediterranean during World War II.

The Mediterranean Sea, which is much larger than the Gulf of Finland, was mined with 100,000 mines. The present commander of the Navy, Rear Admiral Juha Tikka, admitted in the first interview granted in his new post that one of the most important means of defending the Finnish coast is to set up a blockade, of which laying mines is an essential part.

#### A Real "Black Box"

The traditional horn mine is familiar to many at least from pictures. Those who served as recruits in the Navy received training in the principles of its operation and in the disassembly of a mine.

Magnetic mines, on the other hand, are "actual black boxes" even for those who are interested in such matters and very few have been allowed to peak inside. For example, they are seldom displayed at international weapons exhibits -- for the reason that the most important properties of the mines are kept secret.

Different types of magnetic mines are, however, becoming more and more prevalent. Weapons operating with acoustic and magnetic detonating systems are the most in demand while, on the other hand, pressure-detonated mines are being used less. The pressure mine is difficult to clear and defuse even if its location is known -- it is, in other words, just as difficult for the defender as for the aggressor.

The modern magnetic mine is, in general, controlled by a microprocessor, and it selects a target in advance according to a prescribed program. The unlimited possibilities with respect to programming are what make the magnetic mines difficult to clear. In practice the mines are destroyed by exploding them once they have been located.

The navies of various countries have in recent years placed emphasis on the development of mine-searching systems, in particular. Remote-controlled television robots are being used in France and England, among other places, to identify and destroy mines. These very same procedures are being used for peaceful purposes also. The oil industry has used robots for underwater search and drilling work.

#### Very Little Public Information

The Soviet Union has not published any information at all about its own mines, but the size and the principles of their operation are probably the same as the mines in the arsenals of the larger Western countries.

## ERÄITÄ HERÄTEMIINOJA JA NIIDEN OMINAISUUKSIA

1. Miinan nimi	2. Miinoittaja	3. Paino kg	4. Läpimitta	5. Pituus mm	6. Lataus kg	7. Laukaisin	8. Huom.
9. Ranska	10. pinta-alus	n 900	1200	1350	650	11. magneettis-akustinen	12. puolipallon muotoinen neliölevy ohjaa laskuvarjon tavoin miinan pyörrilleen pohjassa.
9. Ranska	14. suk. vene	850	520	2368	650	11. magneettis-akustinen	
13. Englanti	10. pinta-alus 14. suk. vene 15. lentok.	270-907	520	1400-2160	200,300 500 tai 16. näiden yhdistelmä	11. magneettis-akustinen	17. myös tähysmiina-versio
13. Italia	10. pinta-alus 14. suk. vene 15. lentok.	675, 850, 1125	533	1616-2096-2750	490, 660, 925	11. magneettis-akustinen 20. ml paine	
13. Italia	10. pinta-alus 19. sukeltaja	220	980		140-170	11. magneettis-akustinen	21. rantavesimiina, katkaistun kartion muotoinen
13. Italia	10. pinta-alus 14. lentok, helik. 22. hover craft	770	530	n. 3000	580	11. magneettis-akustinen	

### Certain Magnetic Mines and Their Properties

#### Key:

- |   |  |
|---|--|
| 1. Name of mine   | 13. England                                      |
| 2. Mine layer   | 14. Submarine                                    |
| 3. Weight, kg   | 15. Aircraft                                     |
| 4. Diameter   | 16. or combination thereof                       |
| 5. Length, mm   | 17. also observation mine version                |
| 6. Charge, kg   | 18. Italy  |
| 7. Detonating device  | 19. Diver  |
| 8. Notation   | 20. pressure                                     |
| 9. France   | 21. Coastal water mine, shaped like cut-off cone |
| 10. Surface vessel  | 22. helicopter                                   |
| 11. Magnetic-acoustic   |  |
| 12. Semi-spherical shaped square plate guides mine in the manner of a parachute to rest on its rounded bottom |  |

France, England, and Italy have provided some information about their mines. The detonating system in all of them is magnetic-acoustic and they weigh between 220 kilos and a full 1,000 kilos. The longest mines are 3 meters and the shortest are 1 meter. The diameter fluctuates from a half meter to a full meter. The shape is generally cylindrical.



In addition to general information published in Western countries, some exhibits have shown and demonstrated pressure sensors and measuring and handling procedures for corresponding magnetic devices.

A nuclear charge can also be fitted to magnetic mines, and, as far as is known, the navies of the superpowers have nuclear mines. A nuclear mine, however, is not a consideration in Finnish waters because of its vast destructiveness. Shallow waters facilitate a "good result" with conventional explosives.

Rather small and light magnetic mines are being designed in Finland so that they can be lowered from small surface vessels also.

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## NAVY CHANGING MANY OFFICERS IN TOP COMMAND POSITIONS

Helsinki HELSINGIN SANOMAT in Finnish 6 Jan 84 p 9

[Article: "Appointment Carousel Turning in Navy"]

[Text] The change of commanders that occurred in the defense forces last October meant a considerable upheaval in the Navy. After General Jaakko Valtanen took the reins of the defense forces, his closest associate became Vice Admiral Jan Klenberg, who had been commander of the Navy. The biggest appointment round ever began among the blue coats.

Rear Admiral Juha Tikka was appointed the new commander of the Navy. Kari Dahlbo, who was promoted to commodore, was appointed as the Navy's number two man and Tikka's combat partner. His cadet school colleague Seppo Reini-vuo received four stripes on his sleeve and the command of the Coastal Fleet as an inheritance from Tikka.

There are only four commodore vacancies in the Navy, and two other vacancies were filled when Kalle Rantanen became the director of the Naval Academy and Aarno Koivisto, who is continuing the traditions of his family, was called from his post as military attache in Washington to the command of the Turku Naval Station. Rantanen's post is better in the sense that directors of military academies are invited to the Presidential Palace on 6 December [Finnish Independence Day] at least in accordance with previously accepted protocol.

## Old Officers Retiring

When the time for appointments came last year, the older commodores decided to make room for the younger ones and retire "to live on the wife's salary". Seppo Hirvonen, Erik Wihtol, and Erkki Uosukainen, each with a considerable career behind them, went into retirement.

In Finland there are only a few hundred naval officers -- the Marine Guards included -- in active service. There are approximately 70 commissioned officers (commanding captains and above).

The War College is the narrow point in the screening process. If one does not go to the War College, one can attend the school for commissioned officers, but one's career will stop at the level of commanding captain.

Now that this round of appointments is over there is a temporary vacuum at the level of commanding captain and commander and the competition is stiff.

A present naval commander has been at his post for 6 years. After 8 years and four cadet courses the younger Chief of Staff Dahlbo has 14 years left.

Thus the race for commander will not begin soon. Admiral Tikka's career differs essentially from his predecessor in that he has always been a navy man.

#### Cadet Course for Aspirants

The title of heir apparent can be placed on Dahlbo, but 6 years is enough time for many new competitors: in addition to Dahlbo, Rantanen, and Reini-vuo, the same cadet course was attended by Commodore Heimo Iivonen, who now commands the Marine Guard of the Gulf of Finland, as well as Commander Jukka Pajala, perhaps number one among the aspirants to the post of commodore.

Commander Osmo Tuomi, who graduated from Sweden's War College with top honors, is also a graduate of the same cadet course and would have been among the aspirants. However, Tuomi will soon transfer to a civilian job in the weapons technology division of Veho. Thus his ties to the Army will remain, but he will receive an increase in salary. Veho represents the Swiss Oerliko and Italian Oto-Melara cannons as well as Contraves electronics, among other things, in Finland.

Tuomi made his decision to transfer before the spinning of the roulette table commenced, and thus it is almost certain that he will not catch the commodore's ring at least during the time remaining for him in the service.

Iivonen may receive the rank of admiral within his own division when Rear Admiral Jorma Kaisalo retires from the post of Naval Section Chief of Staff in the Border Patrol after 4 more years.

Commander Sakari Visa, whose career has been in the secretariat of the Defense Council and who thus knows the country's high and the mighty, was appointed chief of the Helsinki Naval Station in Upinniemi. A promotion is in sight.

Commander Kauko Neittamo, who is serving in the Coastal Fleet, is also an apparent commodore aspirant. Behind him is the War College, from which he graduated with excellent marks.

His identical twin brother, Seppo, is, on the other hand, satisfied with the commissioned officer course. However, with the help of a visible PR-man he is doing well as a naval reporter in the uniform of a commanding captain.

Commanding Captain Juhani Kaskeala, the third adjutant to the President of the Republic, has presumably been the most visible naval officer in the country on television video tapes.

Commander Jukka Heinonen, who is serving in the General Staff, has, on the other hand, distinguished himself on film. The jovial Heinonen, who is known

for his accomplishments as a diver, danced jovially in the movie "Pedon Merki" [Sign of the Beast].

He was at the time a commanding captain, but he danced with the ladies in the uniform of a lieutenant colonel. The rank of a colonel or a commodore probably awaits him in the next film.

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## AIR FORCE CONDUCTS AIR-DEFENSE REACTION EXERCISE

Paris AIR ACTUALITES in French Dec 83 pp 24-25

/Article: "Operation 'Chouette,' or the Sleepless Night of Air Defense" /

/Excerpt / At 1400 hours on 16 October 1983, the general commanding Air Defense initiated, without prior notice, the Air-Defense Reaction Exercise (EREDA).

Everywhere, from Cambrai to Orange, from Avord to Colmar, from Mont-de-Marsan to Nice, the combat planes are loaded in battle configuration, the Crotale missile squadrons are deployed, the control-center rooms are reinforced with additional personnel; the PC's /Command Posts / are activated everywhere, the materiel is camouflaged, things are freed for action.

There is nothing abnormal about all this, even though an intense effort is demanded. On the other hand, the activity-orientation message for 20 October that reaches all the units from Taverny on this evening of the 19th is unexpected. It specifies daytime rest for the flying personnel with a view to continuous activity from sunset to sunrise. Code name? Operation Chouette!

The fact is that the commanding officer of Air Defense has decided to test in a realistic manner his units' reaction in the face of a nighttime harassment threat carried on for 12 consecutive hours. This involves dealing with the men's fatigue, managing the active materiel as well as possible, organizing for endurance.

On 20 October 1983, night falls. It will be a magnificent one. Perfectly clear and moonlit at altitude, and tarnished only by a few stratus clouds close to the ground in the southwest. Every quarter of an hour, target aircraft simulating hostile planes take off from Solenzara, Istres, Orange, Cognac, Creil or Reims. Their flight plan covers all of metropolitan France, and in the four operations centers of the Air Defense zones, the duty officers have to have them intercepted by the fighters which they place on alert at will on the ground or in flight. The objective is to have each operational pilot do two spotlight interrogations in the course of the night. This mission involves interception guided from the ground and then completed by the pilot with the aid of his on-board radar. To



determine the nature, nationality and registration number of the objective, it is then necessary to approach to within a few meters and turn on the spotlight.

The ballet continues all through the night. At Taverny, it can be followed in real time on the Big-Screen Color Display. The entire air-defense chain is functioning, and functioning well--the magic of modern electronics and signaling that enable the command to see concretely the simultaneous execution, in the whole sky over France, of each of the orders that it has given! The effectiveness of a complex system, but one that is entirely subject to human control!

In the early hours of the morning, more than 300 sorties have been flown.

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CSO: 3519/180

## BEAM WEAPONS VIEWED AS BASIS FOR STRATEGIC ARMS DETENTE

Paris DEFENSE NATIONALE in French Jan 84 pp 35-52

[Article by Marc Geneste and Arnold Kramish: "From Terror to Defense: Change of Umbrella"]

[Text] One of the two authors is French, Marc Geneste (of the CESTE [Association for Studies of Total Strategy], who is already well known for his studies together with Sam Cohen on the enhanced-radiation weapon called the "neutron bomb." The second author is an American scientist. They present here their views as to the possibilities that have been opened by President Reagan's decision to press forward with studies on beam weapons, and discuss the compounding effects these will have on strategies when added to the effects which, in their view, the enhanced-radiation weapon could itself produce. Many of the objections that have been raised against the "High Frontier" system in Georges Outrey's article published in May 1982<sup>(1)</sup> would seem applicable to the thesis that is being advanced here, which adds another dimension to a debate that only becomes more spirited.

On 23 March 1983, President Reagan solemnly announced the major change in the direction of American strategy and its return to defense in the strategic equation, owing to technological advances which open up strategic defensive possibilities that are probably without precedent in all history. The surprise was tremendous throughout the world, and even in the United States, except for those who, for some years now, have been following the evolution of techniques and the related course of ideas in that country<sup>(2)</sup>.

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1) DEFENSE NATIONALE, May 1982, article by Georges Outrey: "Missiles and Anti-missiles".

2) See article by Marc Geneste "Return of Defense? 'High Frontier' Project"; DEFENSE NATIONALE magazine, May 1982.

The creation, in 1982, of a Space Command was in itself significant; but the manner in which the President announced his decision--recalling Kennedy's promise, over 20 years ago, to conquer the Moon--was unquestionably an indication of a "major project" to which this Administration is going to attach itself with vigor, staking its prestige on it, regardless of what the reactions may be here or there; for, no argument in the world is going to convince the Americans that they must indefinitely remain hostages, at the mercy of the Soviet Union today, and possibly of other nations tomorrow. They are refusing to go on living under the swords of Damocles that have heretofore been hung over their heads in the name of "security," especially at a time when the repeated successes of the Space Shuttle make it possible for them to seek a more intelligent solution.

The die is cast. Intellectually, this full-circle shift in policy has been executed. That its concretization will follow, there cannot be the least doubt. "Deterrence by terror" (which--rightly or wrongly--is credited with having maintained peace in the world after Hiroshima) is to be replaced by "deterrence through defense," that is, a return to basics that is to be made possible by exploiting the vulnerability of offensive weapons--namely, missiles and men--to the new techniques.

We propose herein, first, to discuss the technical data through which such a revolutionary change becomes possible, then to outline summarily its possible consequences.

#### I. Vulnerability of Projectiles...and of Their Trajectories

The missiles of terror--of which (as compared with nuclear shells) Marshal Gretchko said: "They are not weapons; they are living beings in a separate world of their own--are essentially, for the time being, long-range rockets with nuclear warheads (ICBM's [Intercontinental Ballistic Missiles] and IRBM's [Intermediate-Range Ballistic Missiles]) or rockets launched from submarines: The "absolute weapon," against which the two superpowers solemnly agreed not to defend themselves, banning antimissile defenses, as they did in the SALT 1 treaty of 1972, without, however, denying themselves the right to continue research in that field... which seems now to have come to fruition.

Let us recall that the Americans viewed this treaty as the consecration of their "MAD [Mutual Assured Destruction] strategy," which based security on a presumed reciprocal guarantee of vulnerability--to the extent, in fact, that they not only dismantled their ABM [Antiballistic Missile] sites already in existence, but also, for all practical purposes, abandoned all further development of anti-aircraft defense and passive defense.

The Soviets, on the other hand, never accepted this no-less-than-paradoxical philosophy and, while fully adhering to the letter of the agreement, violated its spirit by seeking, through civil defense, to rescue a large proportion of their own hostages.

This is what has led to the imbalance of terror, since the latter, while quantifiable, must not be measured in terms of the number of offensive weapons existing on one side and the other, but rather in terms of their effects: The number of potential victims, which has been considerably reduced by Soviet passive defense measures: Shelters, evacuation of cities, etc. (Indeed, it is hard to see how the Soviets could have agreed to the MAD philosophy and remained passive hostages of the Americans, considering that they would thus be delivering themselves up as hostages to the Chinese as well.)

Be that as it may, the fact is that the most spectacular of the offensive weapons, namely rockets, have their weaknesses; and it is precisely on these weaknesses that researchers have concentrated their efforts.

Everyone is familiar with the propelled-flight phase: One need only observe the ascent of the big rockets, the duration of which is long in terms of minutes, to realize that the least malfunction can throw the system out of gear and wreck the missile.

In the ballistic phase, which lasts some 20 minutes (for ICBM's), reentry bodies travel extremely fast but have a set trajectory that can be precisely forecast by computers.

And lastly, during the reentry phase into the atmosphere, which is very rapid but still a matter of several minutes, their speed is such that the smallest hard object placed in their path would blow them to bits.

From the standpoint of defense, therefore, it is these three specific vulnerabilities of the ICBM's, IRBM's and submarine-launched missiles that must be exploited.

The "High Frontier" project, as is known, called for the attacking of rockets at the most advantageous moment, namely, during the several minutes of their ascent, before they could deploy their reentry warheads (up to 12 or 14 per missile), by placing "hunters" in orbit that would monitor enemy silos for possible launchings and send out very conventional self-guided interceptors of the air-air rocket type against the enemy missiles. This would obviously require many such hunters for constant surveillance of the identifiable launching facilities in the USSR and of the seas from which submarine-launched rockets might emanate.

The "High Frontier" project called for 432 hunters, each armed with 40 to 50 interceptors.

Target acquisition has long since been resolved by way of observation satellites whose sensors pinpoint at very great distances the considerable infra-red emissions from rocket engines. Based on the data received by these sensors, the system's computers issue the requisite warnings and can even calculate the precise points of impact. The ABM [Anti-Ballistic Missile] systems that were operational prior to the SALT 1 agreement prove that these problems have already been resolved.

Obviously, if a space hunter happens to be well within range, the interception presents no very difficult problem, considering the missile's extreme vulnerability during this highly sensitive phase. But happenstance rarely does things that well, and a salvo consisting of a large number of rockets, even though many would be destroyed as soon as launched, could still succeed in overwhelming the defensive system's total capacity<sup>(3)</sup>. The defense would be "saturated" by the number of attackers, which points up again what has been the most serious flaw in all defenses throughout history, that of having always to succumb to numbers...

The system must therefore be supplemented or perhaps replaced by another whose characteristics can possibly mitigate this serious shortcoming: The space hunters could be armed with projectiles--or these could be fired from the ground or the sea surface--whose range, initial velocity and rate of fire would be sufficient to guarantee that none of the attackers could escape them, regardless of numbers... This would mean destroying not only the attacking rockets at launch but also their warheads during their ballistic-flight phase after the latter have been deployed in the stratosphere. This need not be considered in the context of a distant future. Beam weapons alone--for example, the laser type, can resolve the problem, thanks to the sizable differential in their speed of intervention over that of the rocket in question. Their range in space is virtually unlimited. In the case of certain chemical lasers, their firing rate can attain 1,000 bursts per second. The initial velocity of their projectiles (packets of particles, protons, electrons, neutral particles, etc) is essentially the speed of light: 40,000 times faster than that of the most difficult target, namely, the reentry body during its space trajectory (around 5 to 7 kilometers per second).

The range of the "High Frontier" system's "conventional" projectiles is limited by their flight time, necessitating a considerable number of space hunters, estimated at 432. The speed of laser projectiles would reduce this number by a factor of 10 or more, there having to be taken into account, no longer the distance to the target, but solely the possibility of firing over the horizon. In the case of certain systems, in fact, the lasers could be earth-based.

Two unknowns remain: The precision and reliability of the aiming system, and the effect of the "projectile" on the target. It is on these points that we will dwell at some length herein, proposing an idea that appears not to have been exploited as yet, at least in the United States: Attack not only the projectile, /but also its trajectory [*in italics*]/. Optimally, destroy the missile. Minimally, /cause it to miss its target [*in italics*]/, which a priori appears to us to be far easier. All golfers, tennis players, sharpshooters, even bowlers, know that precision is the hardest thing in the world to achieve. It should therefore be the most vulnerable...

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3) In this regard, see article by Arnold Kramish in the magazine STRATEGIQUE, No. 18. This holds true particularly in the case of the mobile SS 20's, which can be assembled to fire massive salvos.



## Aiming Systems

The current precision and methods of stabilization of space telescopes are literally phenomenal: They can be aimed at stars millions of light-years away.

The precision presently obtainable with such missiles, makes it possible to sight a 1-franc coin at a distance of 500 kilometers. The size of the reentry vehicle would therefore appear already sufficient to be taken into account as related to targets.

As to the speed of targets conforming to a perfectly calculatable ballistic trajectory, it also should present no insurmountable obstacle, since it has been possible to strike, from Earth, with a laser ray, a mirror of some few square meters in area placed on the Moon by the Apollo mission, at a distance of over 350,000 kilometers, whose relative speed with respect to the "cannon" was around 1 kilometer per second.

Hence, neither the acquisition of the target, nor its tracking, nor the "correction" required in the case of a moving target--the projectile in this case having the speed of light--would appear to be insurmountable obstacles in the face of today's technologies.

The optical techniques developed since the Apollo mission have, in the views of some, opened the possibility of placing in permanent orbit, or of sending up in a crisis, orbital mirrors capable of focusing on the target the laser beams shot from the ground, whose power would be less limited by the weight of the energy-generating equipment<sup>(4)</sup>.

## Effects of Particle-Beam Weapons--Vulnerability of Trajectories

The heading "Beam Weapons," present and future, covers a gamut that includes lasers of the well-known and proven types; "X-lasers," concerning which the specialized press has reported the carrying out of an experiment as far back as 1981 with results exceeding all expectations<sup>(5)</sup>; weapons that attack targets by directing toward them beams of particles, such as electrons, protons, neutral particles--like hydrogen atoms, for instance--or so-called macroscopic particles, with which no experimentation has been done to date; and microwave and plasma weapons, in which the Soviets have a substantial lead, according to available information<sup>(6)</sup>.

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4) This is the solution advocated by Edward Teller, "father of the H bomb."

5) These are laser beams powered by X-rays that are generated by a small nuclear explosion. Their power is said to be 1,000 times greater than that of conventional lasers.

6) It is recalled that General Keegan, head of the U.S. Air Force Intelligence Services, had to resign in the face of the wave of skepticism triggered by his revelations concerning Soviet research on beam weapons.

It is worth noting that "plasma" weapons have something in common with a phenomenon that is well known to all--namely, lightning--and that this, be it said in passing, should temper somewhat the general skepticism being encountered as to the future feasibility of such systems<sup>(6)</sup>. For, although the actualization of the A and H bombs, never having been seen theretofore in Earth, could engender--as it did in its time--an understandable skepticism as to their feasibility, the harnessing of lightning should not a priori appear as impracticable as did those, even though it will perhaps be more difficult.

For lack of space, we will limit our discussion to the effects only of lasers that have actually been realized or have become realizable and whose applications have been proliferating over the past 20 years in all civil and military domains. The CO<sub>2</sub> [carbon dioxide] laser is the most familiar and is already in use in the United States, Japan and France in connection with research on controlled fusion. "Chemical" lasers already exist and a missile of this type was even used in the USSR to bring down an ICBM in 1981. They can deliver energy at considerable distances, at the speed of light and at intensities of several megajoules.

Laser-ray energy is delivered in the form of heat. The substance thus suddenly heated literally explodes, the power delivered to it being, under certain conditions, of the order of several TW [terawatts: 1 TW = 1 billion kilowatts], so that an "ablation" is produced at the spot that is hit by it, then a hole, depending on the thickness and the nature of the substance. It has thus been possible to destroy antitank missiles, planes and helicopters in flight--to say nothing of the Soviet ICBM-- and examples of the effectiveness of this technology have many times been reported on publicly. Thus, the possibility does exist of destroying projectiles, the more so since ICBM's, IRBM's and nuclear warheads are extremely delicate missiles that are far from easy to equip with appropriate shielding, if only from the standpoint of weight. It is therefore already a highly promising method of destruction.

But there is more to be considered, and it seems to us that this new approach has not been explored as yet. It appears that research effort to date has been limited to seeking the /destruction [in italics]/ of nuclear warheads in flight. Obviously, this is the ideal solution. However, it undoubtedly requires considerable amounts of energy and repeated hits to the same spot to pierce their outer shell; and perhaps their destructive effect can be parried by using some sort of special shielding that will reflect the laser rays, or by rotating the missile so as to distribute the impacts. This is being studied.

Now, while the nuclear warhead appears to be rather difficult to destroy in flight by means of laser beams, its trajectory, on the other hand, is extremely vulnerable. The least lateral thrust imparted to it would cause it to miss its target.

If the programmed trajectory against a hardened target such as a missile silo can be shifted by just a few hundred meters, the missile will survive and be able to accomplish its mission of reprisal.

If it can be diverted by several kilometers, even soft targets such as cities or industrial centers could be saved. The job required of the SS 20's, namely, a bull's-eye every time they are fired, would become "mission impossible."

Under these conditions, the outcome of an aggression would be totally unpredictable and the uncertainty would be a major deterrent factor. Thus, instead of going all out to destroy missiles in flight--which, of course, remains the ideal goal--/it would be sufficient initially to render them incapable of accomplishing their mission [in italics]/. The technical requirements of "beam weapons," particularly as regards power, would be less stringent, less costly and more rapidly developable, with respect not only to lasers but also, undoubtedly, to the more conventional systems of the "High Frontier" type.

Is it possible? Let us take, for example, a 200-kg reentry vehicle traveling at 500 km/sec toward a target at a distance of 1,500 km. For it to miss its target by several kilometers would require imparting to it an acceleration differential of only a few centimeters per second, 1/100th of the acceleration of gravity. That is not a great deal. Now, when the shell of a missile is struck by a very powerful laser ray for a very short time (of the order of 1/1,000th of one-billionth of a second), the heated material explodes, creating a reaction<sup>(7)</sup>, the same reaction that propels rockets, and produces the force needed to shift the trajectory. Allowing for the dispersion of the rays in space and possible protective measures (reflections), it can be estimated that 1/10th of the laser's power would be effectively absorbed by the target. And this proportion would be higher with lasers of a shorter wavelength. Nothing, moreover, would preclude the firing of laser beams in parallel.

The specific characteristic of lasers is that of being able to concentrate energy in prodigiously short bursts, of the order of one-billionth of a second, or even less, that is, 1,000 times faster than an atom bomb. The ablation of a few grams of the outer skin would produce extremely fast particles within an infinitesimally short time, hence the desired reaction and diversion of the trajectory, long before the wall is pierced and the missile destroyed. The precision of the missile is much more vulnerable than the missile itself, and the fact is that substances advantageous to the reentry vehicle's penetration function also enhance ablation... Furthermore, the destabilization of the missile by this lateral force could also cause it to tumble and thus to self-destruct upon reentry into the atmosphere.

Being able to deflect the missile would not be all that bad, even if one could not be sure of destroying it. To begin with, for the protection of relatively pinpointable targets, such as silos, submarine bases, aerodromes,

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7) This is exactly the technique already being used for the compression of processed deuterium capsules in current laser-controlled fusion experiments.

military installations, etc. And, by extension, why not cities? This approach--attacking the ballistic trajectories--in the absence of a better one, appears viable enough to be exploited and to shore up justifiable confidence in an ABM system based on lasers or other more conventional methods (near-miss explosions also divert trajectories...).

As for the other beam weapons--electron-, proton- or macroparticle-beam--which are still only in their infancy, they will impart directly a lateral force, owing to the mass of the particles in these rays. But the reentry vehicles will suffer the same ablation effects as with lasers, and the two effects will compound to divert the trajectories of their targets.

#### Vulnerability of Projectiles During Reentry Into the Atmosphere

President Reagan's decision as to principle has already produced a blossoming of ideas in American industry for resolving the problem that would appear to be the easiest: Interception of the reentry vehicles as near as possible to the pinpointable targets, particularly the silos.

The above-cited article discussed several proposals in this regard, including a "swarmjet" plan in which a swarm of micro-rockets would be sent out to meet the attacking warhead, as well as other forms of "dynamic shields" of the same general kind, against which the missile would be impaled owing to its own velocity.

All sorts of proposals are emerging now from all sides for riddling the intruder with bullets: "Blunderbusses," marine cannon, batteries of machine guns or light cannon, fragmentation shells, flechettes, etc.--indeed, far too many to choose from, it would seem, for the protection of the silos, to begin with... and perhaps to ensure the survival of the MX's--a problem that is causing such incessant tribulation in the United States--to a far greater extent than all the solutions that have been proposed to date (underground shelters, multiple bases, Dense Pack, etc.)

Noteworthy, in passing, is the thought that such apparently simple methods could be used to protect the silos of Albion Plateau and other relatively pinpointable targets. Testing on a full-scale model, however, remains to be done.

## II. Strategic Consequences

The impunity that has been enjoyed by strategic missiles since their invention, and that was guaranteed by the SALT 1 treaty of 1972 under which the two superpowers agreed to forgo defensive measures against them, is thus on its way to disappearing.

If experimentation were to confirm the validity of these ideas, the end of the Mutual Assured Destruction era would be followed by the beginning of the Assured Survival era, a far more reassuring one--since infinitely less dangerous one--for all.

In any case, for the defender, even if protection cannot be made 100-percent certain--a goal that appears difficult to achieve--being wounded is better, all things considered, than being dead. As things now stand, a surprise massive attack by the USSR against the United States, devoid as the latter is of any civil defense, would cause over 100 million deaths; and in a case of extreme tension, the temptation to be "the first to strike" might well be irresistible. To this extent, the "assured vulnerability," the mutual suicide pact on which the intellectuals of the MAD strategy sought to base peace, was an invitation to a "first strike" at the same time that it opened the door to blackmail by all terrorists of the least stature. Was not the president of Nicaragua heard to suggest recently that he could seek to obtain "some rockets from the Soviet Union," as Fidel Castro did some 20 years ago?

All of this is intolerable for the American citizens, who, by a vast majority, approve of President Reagan's decision. For a potential aggressor, the certainty of success of a first strike disappears, and with it the considerable psychological weight of such threats. With a limited arsenal--even though a massive one--of intercontinental rockets, the aggressor would have to expend them all without any certainty as to the result; that is, he risks finding himself disarmed in the face of an adversary whose arsenal is still intact... "Be the first to fire, dear Englishmen!"... Looming just ahead, now, is the era that could make this even more of a winning strategy than it was in the 18th century! And if for this reason no one dares to be the first to fire, then the situation is, after all, more "stabilizing"--to use the jargon of the strategists--than one in which being the first to strike holds out the possibility of gaining a decisive advantage... which could be the case today when, as it has been put, "The fear of war could be the cause of war."

As for those--and there will be many--who may regret the passage of the era in which nuclear fear was the beginning of restraint and the basis of deterrence, let them be reassured: There will always be enough uncertainty as to the virtues of antimissile systems to prevent playing fast and loose with nuclear firepower... This Maginot Line of sorts cannot be made sufficiently "puncture-proof" to guarantee total impunity, and it does not take many H bombs to bring one round to thoughtful consideration of consequences. But at least it will be possible to address crises more coolheadedly... since no one need fear any longer being mortally felled by a surprise attack.

From this standpoint, the degree of defensibility available through the use of advanced technologies against strategic rockets--which have been the number-one tool of the modern offensive--is a much more "stabilizing" factor than the guarantee of being able to accomplish the latter's mission of massive destruction with impunity which they have enjoyed to date. The myth of the absolute weapon has seen its day, as have also the strategic theories that depended on this belief for their validity.

There remains to be dealt with, of course, the problem of the vehicles of strategic aggression: Manned aircraft, cruise missiles, and other imaginable instruments of nuclear terrorism. In this regard, let us note that it was



precisely the vulnerability of planes that led to the choice of rockets as the essential vehicles. The DCA [Defense Against Planes] (especially nuclear) still exists, and it is probable that beam weapons would massacre planes with even greater ease than rockets, and undoubtedly cruise missiles as well by damaging the latter's structures, as has already been done experimentally. The fact that cruise missiles fly close to the ground at a relatively slow speed does not prevent them from being spotted and attacked from above.

In sum, the advances being made by defense against everything that is propelled above the ground, manned or unmanned, within the atmosphere or beyond it, are appearing to be considerable, possibly decisive.

#### Vulnerability of Ground Forces

There remains now the essential: The aero-ground forces, which alone can impart a political sense to war, in terms of controlling assets or populations. The only "ultimate weapon" is the soldier who occupies a terrain to impose the will of the victor. All the other weapons, particularly those we have discussed above, have no other purpose but to prepare and support the action of the ground forces; otherwise, war has, strictly speaking, no political aim whatever. The Soviets, for their part, have never deviated from this basic truth, and in their hierarchy of values they always assign first place to their ground forces.

It is to be recalled that it was the power of the Soviet empire's ground forces that, during the 1950's, led the West to take shelter behind deterrence by nuclear terror, in the absence of the will to rally the number of divisions necessary in Europe to ward off the danger of a "Blitzkrieg." The reciprocal neutralization of their so-called "strategic" arsenals--either, as today, by way of the MAD strategy, or, tomorrow, via antimissile systems as described above--renders the ground-forces imbalance increasingly troublesome to the security of the West (and to its diplomacy).

This nightmare for NATO, and above all for the Europeans, could easily be dispelled if a decision could be reached, once and for all, to put to good account the vulnerability of ground forces--meaning, in the final analysis, of their basic component, namely, manpower--to modern defensive techniques, and particularly to nuclear radiation.

This vulnerability is frightful. We will not take up again here the debate on the neutron bomb, which has been amply gone into elsewhere<sup>(8)</sup>. Everyone must agree today that the historic case made for the ground offensive--its ability to concentrate power at the place and the time chosen by the attacker--has suddenly been nullified by the "zoning effect" of nuclear

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8) See "The Neutron Bomb" in DEFENSE NATIONALE, December 1977, "Nuclear Blitzkrieg and Deterrence" in DEFENSE NATIONALE, January 1977, and "Check-mating War: The Neutron Bomb" by Samuel Cohen and Marc Geneste (Copernic 1980).

projectiles, particularly neutron-warhead rockets. Combined with the advances made by conventional antitank weapons (which denies tanks the freedom of extended-order attack), the potential for ground defense has made a considerable and perhaps decisive leap forward, in that, only the defenders can protect themselves from neutrons.

Without going any further into this debate, we would like to stress here the complementarity of vulnerabilities of the two principal instruments of the modern offensive from the tactical and strategic standpoints: Rockets and men.

From the tactical standpoint, it is a known fact that Soviet tacticians are willing to acknowledge that unless the nuclear batteries of the defense can be taken out by prior action, military operations are impossible (Marshall V. D. Sokolovsky), hence the need to open the way for a "Blitzkrieg" by means of a prior salvo aimed at the strike forces of the enemy, and very particularly its nuclear launchers. The famous SS 20's are specifically designed to do this, owing to their alleged frightful accuracy. It goes without saying, then, that the danger of a "surgical strike," the presence of which is justifiably feared by some, and the success of which would already be rendered highly precarious by several precautions on the part of the defender (camouflage, deception, full in-depth protection of launchers), would be practically averted if the SS 20's could be entirely or partially destroyed in flight or diverted from their targets by the antimissile systems described above<sup>(9)</sup>.

Tactically speaking, the uncertainty of success would be such that the enemy would probably forgo the operation, while the uncertainty of a successful mass "execution" of the enemy's live forces would forestall any strategic surprise attack. And in the event of an attack, the enemy divisions would easily be annihilated by neutron baths... provided, of course, that NATO's tactical doctrine will have been revised to take advantage of this decisive trump card.

It is in this connection, namely, the defense of Europe--on which that of the United States and of the Free World is dependent--that President Reagan's decision could and should have its most dramatic effects. The Soviets will pull out all stops to prevent the deployment of beam weapons in the West (forgetting that only a short time ago they were the champions of antimissile defense), just as they did to hinder the deployment of the neutron bomb in Europe and with some success to date. For, it should be remembered that such a defense, also a credible one from the standpoint of deterrence--and which would have been effective in battle--unquestionably existed in Europe over 20 years ago. The 7,000 American tactical nuclear weapons deployed in Europe, and backed by a will to use them and by an appropriate tactical doctrine, more than offset the [West's] inferiority in troop numbers, based as the latter were, and properly so, on the defensive power of the atom.

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9) See Arnold Kramish: "An Antimissile Defense System for Europe" in STRATEGIQUE No. 18.

The dismantlement of these ramparts, erected by Eisenhower in the 1950's, got its initial boost under President Kennedy and his secretary of defense MacNamara, and they have not ceased deteriorating since. The deep-seated cause of this was the growing vulnerability of the American territory, as perceived by trans-Atlantic public opinion immediately following Sputnik and associated with the idea of an inevitable escalation toward a general holocaust if ever use were to be made in Europe of the sole weapons capable of providing its defense: Tactical nuclear weapons. The inevitability of escalation was also a myth kept alive by the MacNamara school and, of course, by the Soviets, who saw in it the providential opportunity to neutralize the American tactical weapon.

From this was born the "flexible response" strategy, based on the unilateral assumption that war would begin in a conventional manner and progress to nuclear as required--if things got worse--(which one can hardly doubt they would). This strategy, still in place, not only leaves to the Soviets the choice of weapons, but imposes on NATO the use of military organizations that are frightfully vulnerable and a doctrine that dates back to the last war--since [under this concept] the last war must begin in the same manner that the last one ended. It therefore guarantees our defeat and the massacre of our soldiers, and thereby weakens deterrence. The greater the increase in this vulnerability over the years, freely consented to by the United States, the greater has been the decline in credibility of a resort to the tactical atomic weapon, the detonator of the Apocalypse; and the greater has been the insistence of American official policy that the allies provide the necessary and sufficient manpower and funding to establish a "conventional deterrent" on the European continent!

American pressures are still continuing in this sense, even under the Reagan Administration, owing to the momentum they have acquired, on the fallacious premise that conventional weapons would suffice to stop the Soviet armies (which, if need be, would use nuclear weapons--and are no longer making any bones about this). There can be no hope of bringing moderation to bear on this American obsession as long as the vulnerability of U. S. territory has not been, if not eliminated, at least attenuated to a sufficient degree.

It follows, therefore, that this established vulnerability to one instrument of the offensive--the long-range rockets that now threaten the United States--could be turned to good account against the vulnerability of the other instrument of the offensive: The soldiers who now, and more immediately, threaten continental Europe. And the dispelling of one myth--that of the absolute weapon--could result in the dispelling of another, that of escalation, which has for so long paralyzed American strategy: Indeed, to the point where, during the Vietnam War, the United States knowingly and wittingly allowed Soviet cargo ships to file past carrying to Haiphong the weapons that killed thousands of its sons. And to the point where the United States has reacted feebly to all initiatives of its adversaries, who do practically anything they want to, at least in the vicinity of their empire, without running the least risk beyond expressions of disapproval that hardly bother them.

## A Change of Umbrellas--From Terror to Defense

To the fullest extent that continental Europe believes in a Soviet military threat, it should encourage the United States to change the umbrella under which it has taken shelter for the past 30 years and should contribute on its own account to the implementation of this change, which it is quite capable of doing: France, in particular, manufactures excellent lasers.

The umbrella of terror--assured mutual destructions--was long ago perforated, as had been foreseen by General de Gaulle, whose strike force has tried to plug up the holes.

The umbrella of defense must now be opened up for the Alliance as a whole, since the technology not permits it. Deterrence would lose nothing by it and the defense would gain everything by it. Morale also: Basing security indefinitely on the threat of massacring civilians is not, in any case, a very Christian remedy. And plain common sense as well: The perpetual stuffing of megatons into the powder barrel on which we are living--all in the name of security!--in pursuit of a "balance of terror" that is hard to define and that is incessantly being put into question, has led our younger generations to seriously bring into question the mental health of their elders, to demand ever more vigorously a stop to this idiotic process, and to condemn civil and military use of the atom, and even the modern technology, which they blame for this aberration.

A strange security it is indeed that consists of seeding the planet with all the weapons designed to blow up civilization in response to the merest electronic signal! A curious philosophy it is indeed that maintains that this makeshift solution must remain indefinitely the best! It is a singular outlook indeed for our youth, to have to look forward to living atop a powder barrel!

In sum, the quest for security through arms control, or disarmament, would--in our opinion--be made a great deal easier if both sides were to deploy antimissiles instead of missiles, as Kosygin, in his time, personally advocated. If shields were to be forged instead of swords, if ramparts were to be built rather than offensive means, the arms race would at least be less dangerous than today's, and security equally assured.

## Conclusion

Men and rockets, the two instruments of the offensive--the offensive, in turn, being the essence and the political justification of war--can today be parried by effective technological means, and aggression in its traditional military form will, in this, way, have outlived its day. Men are far too vulnerable to saturate the defenses by mere numbers, as of yore. In the nuclear age, thousands of billions of neutrons per square centimeter, at 1 km from the point of explosion of a shell cannot be saturated by sacrificing combatants, as machine guns or shell of the chemical age could be. The qualitative leap in ground defense potential is transcendingly phenomenal.

As for rockets, the impunity formerly guaranteed them by their considerable speed is now put to question again by incomparably faster projectiles: Beam weapons, which have the speed of light and which can ruin their precision. Here again, the qualitative leap is far too great to hope to saturate the defense and open the way for ground forces to advance, which, in the final analysis, is the only way to gain the victory. Without the shadow of a doubt, checkmate is within reach of the West. President Reagan has provided the opening move, calling upon the Soviets, moreover, to follow suit... in the interest of a new security for all.

These, then, are the formidable trump cards that the scientists and technicians are bringing today to strategies and to the politicians to bring war to an end, if that is really the intention of the latter as they proclaim it to be. It is up to the latter to put these trumps to good account, before it is too late. Nuclear terror has outlived its usefulness. It has accomplished its mission. We are grateful.

The defense now has the floor.

9238

CSO: 3519/174



## OFFICIALS REJECT FORCES' COMMANDER'S CHARGE ON STOCKPILING

Oslo ARBEIDERBLADET in Norwegian 11 Jan 84 p 13

[Article by Steinar Moe]

[Text] Both undersecretary Oddmund Hammerstad of the Defense Ministry and Conservative Party vice-chairman of the defense committee Thor Knudsen reject former defense chief Sverre Hamre's criticism of the government's treatment of military stockpiling.

"I am not worried by Hamre's statements. The idea of prestockage in North Norway for a new Norwegian combined regiment has not died, as Hamre fears. We estimate that this project will be completed, along with stockpiling for American forces in Trondelag, in 1988 or 1989," Hammerstad said.

"Hamre's statements are taken out of context. They give the impression that the government is not taking prestockage seriously, even though long-term military planning places a high priority on this issue," Thor Knudsen said.

The background to Hamre's criticism was a statement made by Knudsen last fall during a visit in the United States by the defense committee. At that time, the head of the 2nd Marine Division of the United States, Maj Gen Alfred Grey, expressed satisfaction with the choice of Trondelag as the stockpiling site. Knudsen's statements indicated that perhaps the Norwegians had previously placed too much emphasis on the threat to the north. Hamre added that he had the impression that plans for Norwegian stockpiling in the north had been more or less abandoned.

"Thor Knudsen, did General Grey's statements on stockpiling in Trondelag come as a surprise to you?"

"Yes and no. I still believe that the deterrent effect may have been greater if prestockage had been carried for American forces in the north. On the other hand, you might say that it would be more favorable for the American forces in a possible crisis situation to enter a more peaceful region such as Trondelag. It is simply a matter of emphasis."

Undersecretary Hammerstad declined to comment on General Grey's statements. He stressed, however, that stockpiling for a Norwegian combined regiment in North Norway would occur parallel with stockpiling in Trondelag. "We already have purchased 100 million kroner worth of materiel for stockpiling in the north, but we must analyze the problem of what else to buy before additional purchases are made. New funds will be appropriated for 1985, but we will also see if it is possible to dismantle brigades elsewhere and transfer materiel to storage depots in the north," he said.

9336

CSO: 3639/58

## DEFENSE INTEREST GROUP LEADER CITES MILITARY SHORTCOMINGS

Oslo AFTENPOSTEN in Norwegian 23 Jan 84 p 3

[Article by Thorleif Andreassen]

[Text] The president of the Norwegian Defense Association, former Defense Minister Alv Jakob Fostervoll believes it is time to warn the appropriate authorities: Our defense capabilities are declining! "Exercises are canceled or postponed. Stand-by army units are being dismantled. Necessary modernization is being delayed. There is a serious shortage of tanks. In a word, we share the concern of the defense chief that our defense capabilities will decline significantly during the period included in the next defense plan." The situation is extremely serious, Fostervoll stated in an interview with AFTENPOSTEN.

"It is the sincere hope of the Norwegian Defense Association that the authorities will make a major effort to maintain a credible conventional defense system that is capable of deterring war," Alv Jakob Fostervoll said.

"It should be politically possible to meet this demand. Our military enjoys the broad support of the Norwegian people in all opinion polls."

Fostervoll stressed that our defense system was an important foundation in our efforts to maintain peace. But let us not forget the necessity of disarmament negotiations and two-way communications, he added.

The commander in chief has pointed out that, if the economic resources continue to decline as they are today, the results will be a sharp quantitative reduction in our army units, while entire categories of naval and air force combat units will disappear. This will have a negative impact on our ability to maintain the balanced defense system we have throughout our country today. This will lead to additional dependence on allied reinforcements.

#### Lack Of Modernization

The Defense Association supports the commander in chief's warning against falling into a situation in which we could not maintain a nationwide balanced defense. "In this connection, I would like to stress the fact that

reductions and delays in our modernization program are extremely critical. The long-range plan parliament will discuss dissociates itself as much as possible from the defense commission's recommendations, which indicate that it would be difficult to speak "only" of minor adjustments. This is what the commander in chief is trying to point out, according to the former Labor Party defense minister.

"Defense Ministry leaders have said that little has happened in our part of the world to justify major changes in our defense plan," we pointed out.

#### Cannot Play Around

"That is the opinion of the Defense Ministry leadership. But let me mention one important point: the military cannot afford to play around!"

"What do you mean?"

"I mean that our defense must be ready when it is needed. Our experience in the last war showed us how fatal it is not to have the right equipment when it is needed! By this I mean the procurement and maintenance of materiel, expertise, modern technology, and combat preparedness. When it comes to claims that little has changed in our part of the world, I would like to quote the commander in chief: 'It is perfectly clear that the armed forces of the Soviet Union have recently undergone an extensive process of modernization and increased efficiency in most areas.' There is reason to believe that this process will continue. Considering what we will manage to accomplish ourselves during the period covered by the next defense plan, the commander in chief has concluded that during this period we will not be able to maintain our relative defense capabilities--neither in terms of East-West relations nor in comparison with our previous defense level."

#### Lower Goals

The Defense Ministry has made no secret of the fact that its goals will be lower than those in the defense commission's recommendations. The long-range plan states, however, that our permanent forces will be the last item affected by budget cuts. Fostervoll was asked what the Defense Association thought about that.

"I am pleased that these forces will not be affected by additional cuts, but I have noted that the permanent forces already have been affected by budget cuts, although to a relatively minor extent. I am pleased by that. Our permanent forces are of both quantitative and qualitative significance in the mobilization of forces."

#### More Materiel!

"The government intends to increase investments in materiel from 20 to 25 percent of the defense budget in the upcoming defense plan and to 30 percent in the following plan."

"It is absolutely necessary to increase the part of the budget that is used for materiel purchases. Achieving this goal would be an important step." The president of the Defense Association pointed out that his organization wanted to include some materiel aspects not previously included.

"By this I mean modernization of the coast guard and prestockage. This is in addition to previously planned purchases. Even though we realize that many of the present goals are positive, the military will be unable to achieve them all. This is why the defense budget must be increased!"

"You must adjust to the economic realities. For a long time now, there has been a gap between the wishes and needs of professional military personnel and available resources. Is that not true?"

Obviously, the military must adjust to the prevailing economic conditions, just as society as a whole must adjust, but budget cuts must be made more and more on the civilian side of our defense system."

#### Air Base Defense

"Does the Norwegian Defense Association see anything positive in our defense planning?" Fostervoll was asked.

"Yes we do. We are extremely happy that an agreement finally has been reached on the prestockage of allied materiel. This materiel will arrive according to a timetable and I hope we soon will be able to build our own stockpiles. In addition, the expansion of our air base defense system is extremely important. After all, our air bases are the key to our ability to receive allied support. This support will come primarily through the air."

#### Stockpiles In North

"What about the second aspect of the prestockage plan--equipment for a brigade in North Norway?"

"I believe that this plan must be carried out during the period included in the upcoming defense plan. This is one of the assumptions that was made. In addition, funds must become available for stockpiles in North Norway outside the present defense budget. This is another one of the assumptions that were made."

"Naturally enough, North Norway will remain the top priority of our defense authorities. But how vulnerable are we in Central and South Norway?"

#### Defense Of South Norway

"The defense commission has pointed out that Central Norway could be difficult to defend. We have known for some time that South Norway is a problem in this respect. In this part of the country, however, mobilization could occur



in a relatively short period of time. It would take longer in North Norway."

"Many people believe that the Danes, who are included in our southern defense strategy, would be overrun in a short period of time. What do you think about this?"

"The Danes would have a difficult task in this respect. But they share this task with West Germany which, in reality, would bear the brunt of an attack." Fostervoll was asked if the defense situation in the south were satisfactory.

"Since Danish defense capabilities are declining and West Germany is less involved in this region, Norway must reconsider its plans for defending this part of the country."

#### Dual Decision

"By a one-vote margin, parliament decided to follow its NATO obligations in connection with the dual decision. As president of the Defense Association, are you troubled by this slim margin?"

"Obviously, we would have been pleased by a greater majority in parliament, but this situation is now behind us. We must now regain broad support for the security policy Norway has conducted--and continues to conduct," Alf Jakob Fostervoll said.

He added that the present security policy debate had been characterized by a strong interest in conventional defense methods and the desire to make us less dependent on nuclear weapons. "If we are to succeed in this, we must take the expansion of our conventional defense extremely seriously and the desires that have been expressed must be followed up by action!"

9336

CSO: 3639/58

## BRIEFS

HAWK MISSILES IN TWO YEARS--Missile defenses at a total of eight air bases in northern Norway are a high priority for the military. "We estimate that the first Hawk missiles will arrive at Bardufoss in 2 years," the chief of Bardufoss Air Base, Col Odd Svang-Rasmussen told HARSTAD TIDENDE. In connection with the COB Agreement, which gives the United States the right to use eight Norwegian air bases for American military planes, including fighter planes, during times of war or crisis, Svang-Rasmussen said he was surprised that the Socialist Left Party (SV) in Troms kept raising questions whose language contained incorrect assertions. "It could appear that SV was attempting to cast aspersions on the COB Agreement and on the government's integrity," he said. [Text] [Oslo AFTENPOSTEN in Norwegian 19 Jan 84 p 32] 9336

CSO: 3639/58

## AIR FORCE ABILITY TO DEFEND SPECIAL STRATEGIC INTEREST ZONE

Madrid EL ALCAZAR in Spanish 15 Jan 84 p 13

[Article by A. Florensa]

[Text] Lt Gen Santos Peralba has taken charge of the Air Force, whose speed and firepower make it the most deterrent branch of the Armed Forces. With some 33,000 men and about 250 aircraft, the smallest branch of our Armed Forces suffers from a chronic shortage of funding, according to its members. "We're Cinderella." The following are some of the strategic missions and needs that will have to be fulfilled by the man who has up to now been the undersecretary of defense policy.

With its sophisticated technology and very specific tactics, the Air Force (the operational branch of the Air Army) is an unsurpassed observation mechanism, the fastest way to transport troops and an essential support for all ground and sea operations.

Above all, however, it is the ideal means of transporting firepower to attack industrial or military targets. Its four fundamental features are: flexibility, in accordance with combat requirements; mobility and speed, which give it the element of surprise; the capability to penetrate enemy territory, and the ability to transport large amounts of weapons in a relatively small aircraft.

The advent of the air force shattered the traditional prescriptions of army occupation and navy blockade and introduced a new strategy: the destruction of objectives or the ability to carry the attack into enemy territory without having to occupy it.

The air force is thus a deterrent par excellence, inasmuch as if an enemy is aware of the counterattack capabilities of the Spanish Air Force, it will think twice about initiating aggression. This deterrence is thus the best way to guarantee the peace, security and defense of Spain.

The "Playing Field"

The air force insures Spanish sovereignty by defending and monitoring what our pilots call the Special Strategic Interest Zone (SSIZ).

This zone comprises national territory on the peninsula, on islands and in North Africa, sovereign ocean and air space (also national territory), the exclusive economic zone and areas essential to guaranteeing communications and links between them.

This zone, which our aviators call the "playing field," covers both sea and land areas. Our security demands that we control it militarily.

There are two types of threats to the SSIZ: threats of proximity, stemming from our relations with neighboring countries; and positional threats, arising from Spain's strategic location at the planet's main nerve center. Given Spain's interests and our ties to the West, even outside an alliance, there are three areas from which the SSIZ could be threatened: from Africa against the Canaries-Strait of Gibraltar-Balearic Islands axis, from the European continent and from the Atlantic.

Whereas the last two are based on a hypothetical aggression by the Warsaw Pact against the Western nations, the axis warrants special attention because in that case we might have to confront the threat alone. Moreover, air force officials have stated, the Eastern bloc or other nations might give covert aid to our enemies to destabilize our area.

#### Offense Is the Best Defense

The only threat to the entire SSIZ is from the air, and we must therefore be realistic and not forget that the Spanish Air Force is at a disadvantage vis-a-vis several of its potential enemies.

The air force's mission is to enhance its power of deterrence in this zone and, ultimately, to insure that the potential attack does not reach us. A glance at the radius of action required of the FACA aircraft shows us that they must cover a wide area of the Atlantic far south of the Canary Islands, practically all of the Sahara up to the southern border of Libya, the Mediterranean almost as far as the Greek peninsula, and the European border represented by the Iron Curtain. As far as our pilots are concerned, this requirement fully justifies acquisition of powerful, modern fighter aircraft.

Spain is interested only in defending itself, according to its military plans, but for an air force the best defense is an attack against the bases of an enemy who we know from intelligence reports is going to launch an offensive.

#### Insufficient Hardware

In the view of air force officials, Spain's military hardware is not commensurate with its position in the world context. The reason is small budgets, which are justified by the times of crisis in which we live. In the judgment of our aviators, however, we must never allow the funding to decrease further in response to self-interested demands to reduce the country's defense capability, the argument being that aircraft such as the F-18's are unnecessary.

Spain has about as many aircraft as Holland or Belgium and far fewer than France, Italy, Switzerland or Argentina, and many of these countries do not have SSIZ's comparable to our own.

The hardware that the air force needs to carry out missions is not selected by the air force itself but rather by the Joint Strategic Plan, drafted in accordance with the defense policy guidelines issued by the government.

The FACA aircraft will try to fill the vacuum created by the retirement from service of other aircraft whose age or lack of spare parts makes them uneconomical, studies by Air Force Headquarters indicate. But the purchase of the FACA planes means committing air force budgets until the 1990's, and therefore less consequential but still important programs will remain on the drawing board until budgetary funding is sufficient to meet the branch strength goals that strategists have set.

The acquisition of intermediate transports and the hiring of basic training instructors are two programs that have been halted.

#### Concern Over Budgets

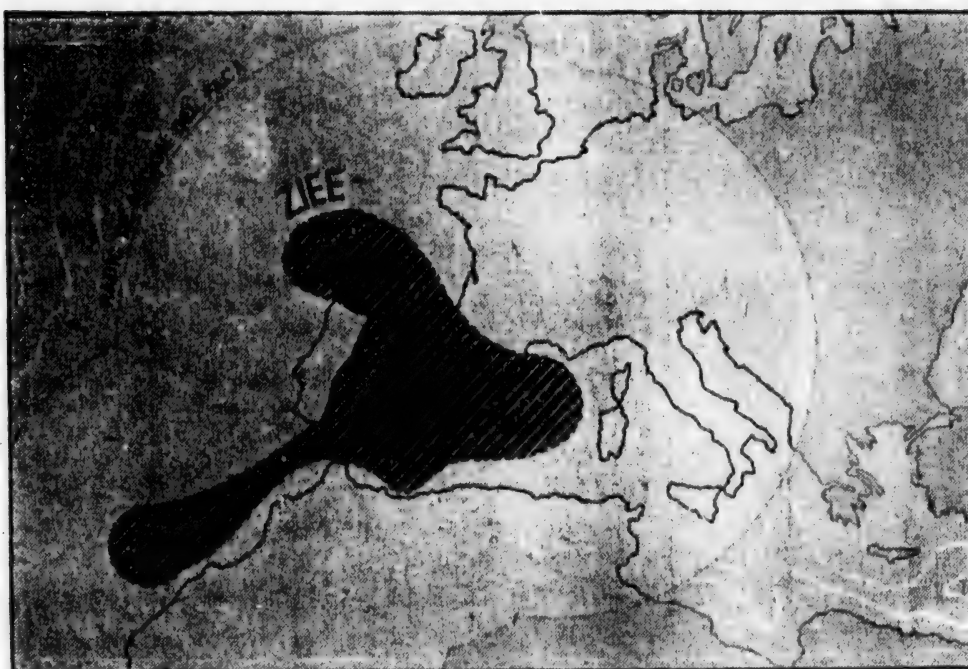
Current personnel is sufficient for the hardware now in service, the air force says, but if more aircraft are made available, more men will be needed. However, if more equipment is purchased without trained personnel being available, it is doubtful whether the new materiel can be effective.

Given the sophistication of current aircraft, we were told, certain scales will soon have to be modified to make room for new specialists to guarantee the highest cost-effectiveness of the equipment.

Air force specialists feel that society must be made aware of the need to invest in defense. One of the force's major concerns is that it does not know how defense budgets are going to be apportioned over the next few years. "An apportionment similar to those in recent years would give rise to an air force with little offensive capability and not on a level with the other two branches."

"It is our view," air force sources state, "that allocation percentages must in no way dictate a branch's programs. Budgetary funding must aim at achieving the best weapons systems at the lowest cost."





The dark area is the SSIZ, and the lighter area is the range of the FACA aircraft, which are Spain's defense against the three threats to it.

8743

CSO: 3548/167

## SECURITY EXPERT: DEFENSE STAFF PLANNING JEOPARDIZES NEUTRALITY

Copenhagen INFORMATION in Danish 16 Jan 84 p 2

[Text] Stockholm, 14 Jan (RB)--The defense staff is a threat to the policy of neutrality, in the view of a Social Democratic military expert.

The Swedish defense staff's myopic planning is a threat to Swedish neutrality. The defense staff's foreign policy views often conflict with the official view and therefore the Soviet Union has no strong belief that Sweden really is determined to defend itself against NATO forces.

This accusation was leveled against the Swedish defense system Friday in a debate article in the newspaper DAGENS NYHETER by security policy expert Ake Lofgren, who worked for 6 1/2 years in the defense staff's intelligence section as a civilian military expert in foreign policy issues.

## Language of Power

"The Soviet Union and the Russians are totally alien to the military. For them, the Russians are drunkards and peasants who only understand the language of power. Conducting a meaningful dialogue with a Russian is impossible in the view of military people," Lofgren said.

Lofgren, who is also a local Social Democratic politician, added that the defense staff keeps a very close eye on everything that happens in the East and analyzes every statement from the Kremlin.

"But the military experts do not analyze and study American society and its defense doctrines. They keep track of weapons developments, but they do not evaluate the consequences the policies of Reagan and the Pentagon will have for us," Lofgren said.

In his opinion Finland will be hardest hit by a lack of confidence in Sweden's neutrality.

"The less the Soviets believe that we would defend ourselves from the West, the quicker they would have to occupy Finland by sending troops across the

Gulf of Bothnia and the northern border of Finland," the security expert said in his comment.

Lofgren ended the article by calling for a broad debate on the policies of the Swedish defense staff, since the topic is of the greatest importance for Sweden's foreign policy credibility.

Unfair

Defense staff intelligence chief, Commander Ulf Samuelsson, thinks Lofgren's criticism is "very unfair."

"We try to acquire an objective picture of the rest of the world. We are not myopic. We have just concluded two security policy studies--one on the West and one on the East. It is another matter that today only the Warsaw Pact countries can threaten us," Samuelsson said in a comment on Lofgren's article.

According to the intelligence chief, NATO does not have much interest in seizing Sweden, since there are enough bases in northern Norway. More bases in Sweden would provide only minor benefits, in his view.

"But it is obvious that we belong to the western democracies and it is equally obvious that we do not care for the dictatorships in the eastern bloc. To say anything else would be hypocritical," Samuelsson added.

6578

CSO: 3613/86

## SOVIETS EAGER TO HELP BALANCE TRADE WITH DENMARK

Copenhagen INFORMATION in Danish 14-15 Jan 84 p 3

[Article by RITZAUS BUREAU reporter Connie Pedersen]

[Text] A shortage of foreign currency in East Europe is blocking trade with these countries.

The talks Danish shipyards are currently holding in Moscow on the sale of three refrigerator ships to the Soviet Union will hopefully result in the signing of a contract in the near future, according to a representative of the Soviet trade delegation in Copenhagen.

The order, which will amount to just under 1 billion kroner, could help to correct the imbalance in the Soviet favor in trade between Denmark and the Soviet Union. But trade attache Oleg Suschkov conceded in a conversation with RITZAUS BUREAU that it will take a long time to solve the problems connected with the lack of balance in mutual trade.

Danish and Soviet statistics on mutual trade vary. But the trend is clear. Denmark imports between three and five times as much from the Soviet Union as we export.

## Calculations

Denmark estimates exports to the Soviet Union last year of between 700 and 800 million kroner, while imports from the Soviet Union were worth around 2.3 billion kroner. Soviet statistics operate with a Danish export of just under 60 million rubles (almost 700 million kroner) and imports of the Soviet Union worth around 300 million rubles (roughly 3.5 billion kroner).

"The problems connected with the imbalance must be solved step by step. We do not view the imbalance as a special problem. We hope that trade on both sides can increase and that we can correct the imbalance in that context," the Soviet representative said.

As examples of initiatives to eliminate the imbalance, Suschkov mentioned setting up a group to study opportunities for cooperation in the agricultural

industry sector. The group will meet in Copenhagen from 23 to 27 January. Within the framework of the group, there will be a big exposition in Moscow in May, with Danish participants.

As an example of signed contracts, the Soviets mentioned orders worth around 400 million kroner for delivery of dairy equipment to the Soviet Union by the Danish firm, Pasilac.

#### Imbalance

The imbalance in Danish-Soviet trade is largely connected with trade structure. About 90 percent of Danish imports from the Soviet Union consist of oil and oil products.

"If the Danish import of these energy materials and raw materials was not so great, there would be an imbalance in Denmark's favor," Suschkov underlined.

He ruled out the possibility that the Soviet Union would limit its imports from the West and Denmark in order to check increased indebtedness to the West in a situation where stagnating oil prices mean reduced import revenues for Moscow.

Western economists estimate that the Soviet Union has a debt to the capitalist lands of \$9 billion (around 92 billion kroner). That is a negligible amount in relation to the economic size of the Soviet Union.

#### Requirement for Offsetting Purchases

The Soviet Union makes wide use of counter-purchasing requirements in connection with the signing of contracts with the West.

"It is correct that when we sign big contracts we try to obtain an agreement that Danish firms will buy Soviet products," Suschkov admitted.

His colleague, Anatoly Schvedov, pointed in particular to three problems for Danish exporters to the Soviet market.

"It is often hard for Danish firms to compete on prices. They are too expensive. Then there are political conditions. Denmark is a member of EC and NATO and must abide by the limits imposed by Denmark's allies in COCOM," he stressed. COCOM is the western organization that controls the export of strategic goods.

Schvedov further said that Danish agricultural products are more expensive due to Denmark's membership in EC.

#### Expectations

The Soviet Union is well aware that Denmark cannot live for long with a large Soviet trade surplus and there are expectations that Danish exports



to the Soviet market can be increased, according to a Danish expert in trade with the East.

Jens M. Barfoed, who is chairman of the committee for economic and industrial cooperation between Denmark and the Soviet Union, feels in this context that Moscow is interested in implementing the sale of three refrigerator ships to the Soviet Union at a cost of around 1 billion kroner.

"There are justified expectations that a basis has been created for the sale of the three Danish refrigerator ships to the Soviet Union," Barfoed told RITZAUS BUREAU.

Until the fall of 1982, Danish shipyards held lengthy talks in Moscow on the sale of a number of ferryboats to the Soviet Union. At the last minute, however, the order went to Yugoslavia, because that way the Soviet Union could save hard currency.

#### Currency Problem

In general Barfoed did not feel the currency problem set limits on Danish exports to the Soviet Union. "Danish exports make up such an insignificant part of Soviet imports that I cannot believe currency considerations would create barriers for an increase of Danish exports to the Soviet Union," Barfoed said.

By Danish calculations, Danish exports to the Soviet Union amounted to between 700 and 800 million kroner last year, while imports amounted to around 2.3 billion kroner.

"There is a basis for sizable expansion of our exports to the Soviet Union and we have also entered into several more contracts in the last half year than we have in a long time," the chairman of the Danish commission said.

Danish exports to the Soviet Union are not plagued to the same extent as exports to other East European countries by demands that the exporters buy Soviet products in return for signing a contract, the so-called counter-purchase agreement.

#### Danish Interests

While counter-purchase requirements in the rest of Eastern Europe can amount to over 100 percent of the contract sum, the requirement is between 5 and 10 percent where the Soviet Union is concerned. "In particular, there are hopes that Danish exports to the Soviet agricultural and food products sectors can be expanded," trade attache Svend Lykke Schmidt, section chief in the Foreign Ministry's trade division, said.

He is chairman of the Danish steering group in a committee set up to deal with agricultural-industrial cooperation. The committee will meet for the first time in Copenhagen about a week from now.

Around 70 Danish firms have shown an interest in the work of the commission and that special part of the Soviet market.

In addition, 25 Danish firms will take part in an exposition of equipment for the Soviet agricultural and food products industry in Moscow in May.

"The Russians themselves took the initiative to make contacts in this area and they have earmarked a large part of their investments to the agricultural-industrial sector," Lykke Schmidt said.

#### EC Countries

For EC countries as a whole, the statistics for the first half of 1983 show that exports to the Soviet Union rose sharply, according to officials in Brussels, speaking to the British news agency, REUTER.

The increase in EC exports to the Soviet Union was put at 40 percent for that half year. One of the explanations for the sharp increase was Soviet purchases in Western Europe for the Siberian gas pipeline.

There is still a deficit in trade between the EC countries and the Soviet Union. As in the case of Denmark, this is due to large purchases of Soviet oil and gas. But the deficit has been reduced from \$3.3 billion (almost 34 billion kroner) in the first half of 1982 to \$1.8 billion (around 18 billion kroner) in the first 6 months of last year.

#### Eastern Europe

The smaller East European countries must pay off their large debts and institute necessary economic reforms before Danish exporters can seriously count on them as a market.

This applies to the German Democratic Republic, Czechoslovakia, Poland, Romania, Hungary and Bulgaria.

"Sales opportunities in the small CEMA countries cannot be expected to change much in the short term. They will be somewhat poor. But in the long term, Danish firms might return to those markets with exports of technology," Industrial Council consultant Preben Hoffman told RITZAUS BUREAU.

"When Denmark's trade with these countries has changed so much in a direction unfavorable to Denmark, it has a great deal to do with the credit ratings of those countries," he continued.

#### Currency Shortage

The six smaller East European members of CEMA (the East European Common Market) are very short of hard currency and what they have is being used to pay off debts to western banks instead of to pay for imports from the West.

At the same time they are trying to increase their hard currency reserves by increasing their own exports to the West. This results in a big imbalance in trade between these countries and countries like Denmark.

Finally, the economic problems of the East European countries mean that they require sizable counter-purchasing. This means that Danish firms, for example, must buy East European products amounting to a certain percentage of the contract before the East Europeans will sign an order.

### Special Problems

Each East European country gives Danish exporters special problems.

Only trade with Bulgaria has gone fairly smoothly, but the market there is quite small. In 1982, Danish exports to Bulgaria added up to 62 million kroner. They totaled between 90 and 100 million kroner last year.

"We regard Bulgaria as a small but interesting market. The new business form that makes it possible to establish better contacts with the final customer has also made our firms more interested in Bulgaria," the Industrial Council consultant added.

Some of this also applies in Hungary, where economic reforms have given a great many firms access to trade directly with western firms, bypassing the central foreign trade companies. The Industrial Council in Copenhagen regards it as one of the most promising small markets in Eastern Europe in a few years' time.

The opposite extreme is Romania, which is regarded in Denmark as the most difficult of the East European countries to do business with.

"They are very difficult trade partners and it is hard to get them to live up to agreements they have made. For that reason many Danish firms have decided to abandon Romania altogether in the present situation," Preben Hoffman said.

Romanians are also among the most exorbitant when it comes to requiring counter purchases. It is not unusual that Danish exports must buy Romanian products of poor quality worth the entire amount of the contract.

Things are not quite as bad in relation to the GDR and Czechoslovakia. These two are outstanding examples of countries that are trying to reduce their debt to the West by sharply increasing their exports.

For each time Denmark imports goods worth 10 kroner from the GDR, Danish exporters sell goods worth 1 krone. Where Czechoslovakia is concerned, every krone in Danish exports corresponds to 4 kroner in goods imported from Czechoslovakia.

"Danish exports to Poland have done remarkably well, considering Warsaw's big economic and political problems," the Industrial Council consultant said.

This is due to the fact that Poland has used its meager reserves of hard currency to purchase spare parts in Denmark among other countries instead of paying off Poland's large debt.

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CSO: 3613/86

## MAUROY ON UNEMPLOYMENT, INDUSTRIAL MODERNIZATION POLICIES

Paris LIBERATION in French 23 Jan 84 pp 5-7

[Interview of Prime Minister Mauroy by Jean-Michel Helvig and Christian Lionet: "Mauroy: Only Solution, Reconversion"; date and place not specified]

[Text] The prime minister tells LIBERATION that the changeover must be made "without layoffs." However, he admits the need to put an end to "overstaffing" in certain sectors. A "reconversion leave" would enable workers affected by elimination of positions to prepare for a new occupation.

LIBERATION: The year 1983 was a difficult one for the leftist government. It is being said that 1984 will be "terrible." Is that your view?

Pierre Mauroy: One should be suspicious of adjectives. The year 1983 was difficult, and 1984 will continue to be difficult. Will it really be terrible? At any rate, we must make extra effort so that 1985 and subsequent years will be better. How could 1984 not be difficult in the context of the international crisis, especially since added to it are technological developments of the third industrial revolution? The crisis further intensifies the changes, accelerating them, and thus creates complex situations in which everything is interacting.

L.: How are you going to make clear the vital issues to come?

P.M.: On the one hand, attitudes have had time to get used to the idea of a crisis, and, on the other, the changes are essential. The government has a duty to give an explanation, and not only an explanation, but to maintain a continuing climate of negotiation with the trade union and occupational organizations and also with the regional authorities. People have been talking about this third industrial revolution for years. We are in it. It is our future; all is not negative, far from it, even if the present causes concern. Transformations, in successive forward movements, are marking the end of the old industrial society but also the birth of a new world. Those who are willing to strive, in acceptance of these transformations, are the ones who will progress toward a new prosperity. We should have started much earlier, but the previous governments did not dare.

L.: You will not be able to avoid having these transformations at first associated in public attitudes with unemployment. The index for December



seems to justify their view and make rather risky your promise to "hold the line" at the peak of 2 million unemployed.

P.M.: The United Kingdom, Germany and the United States have experienced a recession period. France has not gone through a recession. That is a positive point. Let us first distinguish what is a current situation--due to the crisis--that is producing unemployment. We have succeeded in stabilizing this unemployment. When I set that objective in September 1981, many sceptics were doubtful. It was under control not only at the end of 1982, but also at the end of 1983. We are currently striving to avoid departing very much from that result. In parallel, the industrial transformations are causing elimination of positions, even though they are creating some in new branches. This necessary restructuring affects enterprises with branches in which the conditions for competitive production can be restored but which are overstaffed. They must be put back in a position to assure their economic development. Indeed, if you add to the unemployment figures the number of positions eliminated by the industrial restructuring, the total can rightly arouse considerable concern. Particularly since those who engage in such shortcut conclusions are not always without ulterior political motives.

The government distinguishes between unemployment resulting from the slowing down of international economic activity and the elimination of positions deriving from the determination to modernize France and make it capable of entering the new industrial society, a new era, with the major trumps in hand.

L.: What is the specific number of jobs currently affected by the industrial transformations?

P.M.: That is a good question, since everyone is trying to answer it. However, to tell the truth, the industrial society will from now on not stop changing, and we will permanently have to continue adapting the employment market to restore its equilibrium. This is particularly true because of the added factor in France's case of a demographic effect that will continue for several years, annually increasing the number of job-seekers by about 150,000. It would be a publicly irresponsible approach to scare the French people by always giving overall figures without explaining that the change will be managed over several years.

L.: Will this period be tackled using a gradual-dosage treatment or decisively by a surgical operation to prevent the illness from prevailing?

P.M.: The government's action is aimed at finding ways to spread over time the effect of these transformations. Particularly since even the most modern technologies, such as the telephone, are not immune to new developments that are part of an ever-continuing progress. The government is therefore planning to establish a leave period--one could also call it a contract--for reconversion, of 2 years for example, for workers whose positions must be eliminated to find another job. In the coalmines, steel industry and shipyards, it is my objective to achieve modernization without layoffs.

In the public sector, instructions will be given to those in charge of groups to establish the conditions of normal industrial production, that is, sound

and in accordance with competitive principles, both national and international. Treatment of an industrial group or an enterprise is not based on a choice between a surgical operation or gradual dosage, but must reflect a real situation. Naturally, the reconversion leaves should considerably ease the effects of position elimination. In effect, it will no longer lead to layoffs in the affected sectors. Whatever the situation, negotiations should be carried out at the level of the enterprise and group. There will also be negotiations at the interoccupational level to create these new "social tools."

L.: Can you be specific?

P.M.: Along with retirement, pre-retirement, training leave, partial unemployment, joint contracts with reduced working time, and already existing reconversion courses, it would no doubt be useful to establish the reconversion leave--or contract, as I have mentioned. The workers would not be laid off. They would have about 2 years to take training. First of all, they would think about what else they could do, given their aptitudes. Thus, there would be the need for occupational testing, for interviews... We would enable them to requalify; we would provide training for them. Naturally, they would be paid, under criteria to be established. During this period, they would not be laid off. That would occur only at the end of the period, that is, when they had finally found a new job. Our aim is that they should not be unemployed. Whenever possible, they would even maintain a tie with their original enterprise or branch, so they would not have the feeling of being rejected. That would be the main tool. It automatically brings to mind another: where the fields are in difficulty it is necessary that the workers undergoing reconversion be able to requalify themselves. Hence the need to make this reconversion possible in an industrial zone, a "zone of renaissance" to which new companies should come to locate, naturally with some incitement benefits. Of course, the reconversion would not simply be token training but courses providing real opportunities for requalification. If we do decide in favor of these two tools, we will need to give higher priority to the hardest-hit areas, Lorraine and North Pas-de-Calais, as well as to the smaller sectors throughout the country. The decisions have not yet been worked out. I am just giving you some first indications of the task we have undertaken.

L.: Will the coal mines thus receive particular treatment?

P.M.: There have never been any layoffs in the mines. The reconversion policy is not brand new. We are going to broaden it. Thus far the problem has been dealt with by retirements and pre-retirements. I am not sure that that can still be enough. In that case also, there will be reconversion.

L.: What about the shipyards?

P.M.: France is a maritime power and must remain so. How and under what circumstances? That must first be defined. In allocation of funds the government will find the proper balance between support to orders and the share that goes to reconversion.

L.: The government has promised not to increase the burdens on enterprises, and the president has promised to ease the tax pressure. Yet the measures you are talking about will be very expensive. Will they be financed, as some of your Socialist friends suggest, by relaxing the budget restraint during the year?

P.M.: These measures will cost money, but they are compatible with the economic and financial balances as established. This applies in particular following the president of the Republic's announcements; his determination to decrease the compulsory withholding by one point. We mentioned public enterprises. Naturally, these reconversion leaves can apply to private sector enterprises. The implementation and financing details have not been finally settled. This will be done in the next few weeks. We will find a coherent relationship between our growth rate and the imperative of lowering the compulsory withholding.

L.: To what extent will private sector enterprises have to finance part of this extra cost for their workers on reconversion leave?

P.M.: We are currently discussing that, but nothing has been decided yet. It is too early for me to be able to answer you.

L.: You have mentioned eliminating overstaffing. Speaking to the PCF Central Committee, Georges Marchais has accused the government of not being firm enough against "big employer pressures." He said: "No layoffs, not a single additional unemployed." Is this attitude compatible with the policy you are conducting?

P.M.: The Communist Party has ministers in the government. They practice the teamwork necessary for any government. We develop the government policy together. This government of the Left has since 1981 adequately demonstrated by its reforms that its policy is very different from that implemented previously. It has shown it can be firm. This firmness toward management does not exempt us from dealing, economically and industrially, with the specific problems arising from the crisis and the technological transformation. The most serious mistake that could be made in the name of the Left would be failing to pay attention to the current transformations. The Communist Party has its own way of expression. It has its imperatives. It says it wants the government to get through this crisis while remaining genuinely left. We are striving for a transformation to a modern and industrial France. If we did not do so, what would happen? Exactly what the United Kingdom experienced: deindustrialization and unemployment for the workers. The sacrifice of one, and perhaps even several, generations.

L.: Do you feel that there exists within the political and trade union majority the solidarity and confidence necessary to accomplish this difficult stage?

P.M.: Ever since May 1981 I have always felt surrounded by this solidarity and confidence. Some stages may have been more or less difficult. It is normal for there to be problems. I experience these difficulties myself. You can imagine that it can happen for the prime minister to have a dialogue with

the active party member, which he is also. The real question that arises is: How can we best serve the working class, in a word, France! I believe that the government is providing the response, and that, in the current circumstances, there is no other solution. The recovery could not be prolonged. If someone wants to prove the contrary to me I will listen to him, but not only will I be sceptical, I will conclude that he denies the reality. That is not how one serves the working class. Also, one cannot demand that the Left govern over the long haul yet yield in face of the difficulties. The real question that should then be asked is: Is it compatible to have people from the left governing during an economic crisis like that? We answered by requesting the country's vote. Now we must assume the responsibilities that we sought.

L.: Do you believe that the all the Left shares your views?

P.M.: The crisis was not invented by the Left. It is enduring it, in the name of a model of society that is not its own. You referred to the trade unionists; I am aware like them of the contradictions in the government we are exercising. What matters for the Left is to govern eye to eye with the workers, and with the support of all the organizations of the Left. I have been defending my convictions since I was 16. I have not changed as prime minister. We must do better than the Right. It is difficult, but that is only one more reason for each one on the left to assume his responsibilities.

L.: In this connection, at the time of the Talbot dispute Edmond Maire criticized you for neglecting dialogue. It has been noted that since then the government has talked a lot about dialogue. Why not have begun that way?

P.M.: Frankly, the current phase of trade union negotiations for the coalmines, steel industry, etc... was planned. It is not because of the Talbot affair that we are now negotiating. One cannot criticize me both for spending hours with the trade unionists and also for not negotiating.

L.: Does not the presence of the Communist ministers in the government influence you to regard the CGT as a privileged union spokesman?

P.M.: There is no privileged union. I meet with them all as long as they are representative.

L.: In regard to the sniffer planes. Don't you feel, and the polls seem to confirm it, that this affair harmed the entire political group, Jacques Chirac excepted, but including yourself, and that it has benefitted this current of neo-Poujadeism, which Jean-Marie Le Pen, for example, is exploiting?

P.M.: I am not a sheriff trying to play the judge: I am the prime minister. I did not become involved in this affair to derive any political profit. The fact is that there was a swindle, and that state money disappeared. Who will try to tell me that the file should have been closed because important people were affected? How can someone demand that we should prosecute hoodlums yet should close our eyes when white collar swindlers are involved? I even feel that there is a kind of moral degradation in proposing this type of



accommodation. The more responsibilities one has, the more one is responsible. The report had disappeared, it has now been made public, the French can judge.

L.: Did the president of the Revenue Court commit a felony by destroying the report, and will he be prosecuted?

P.M.: The first president forwarded to me the Revenue Court's reply. The reply was drawn up after consultation with the prosecutor general and the chamber presidents. It appears that the report made public was of the nature of a court communication. Nevertheless, it should never have been destroyed, and the former first president of the Revenue Court obviously committed, at the least, an "error in judgment."

L.: There is regular talk about your imminent departure from Matignon. Does not the ballet of potential ministers bother you at a time of decision in the long term?

P.M.: In one respect, the Fifth Republic has inherited the instability of the two that preceded it. I would like to talk about this little game of constantly speculating: "When will the prime minister go?" I am used to it. The answer is very simple: I will remain prime minister as long as the president of the Republic wishes. How do I endure that? I do not have to endure it well or badly. I have adjusted to it. I do my work. I work like a good workman, as if I had time before me, and there is no other way for me to act.

L.: Will you actively participate in the European elections?

P.M.: Certainly. I must assume the responsibilities of leader of the majority. However, in a different way than in the legislative elections. This is a struggle for Europe. The struggle must be won, particularly by those who support the majority. However, I must not contribute to the confusion of maintaining that the elections to form the European Assembly are elections for or against the government.

L.: Could you sketch the ideal profile for the head of the Socialist Party slate?

P.M.: It is not a matter of sketching but of choosing. The party will do it quickly.

L.: If he is a member of the government, will there immediately be a cabinet reshuffle?

P.M.: Being a candidate and a member of the government at the same time are not compatible. If a member of the government becomes a candidate and is approved by the party, he will leave the government.



## ELF-AQUITAINE: RECENT DIFFICULTIES, SUCCESSES, INNOVATIONS

Paris LE NOUVEL ECONOMISTE in French 16 Jan 84 pp 34-39

[Article by Jean-Michel Caroit and Philippe Le Corroller: "Elf-Aquitaine: The Empire is Shaken"]

[Text] For Elf's 81,000 employees, the "affair" could not come at a worse time. Drawn into a double wager, in the United States and in chemistry, the French giant's credibility is at stake.

Can an Italian alchemist, a sniffing airplane, a Swiss account, and a major political disclosure endanger the largest French enterprise? Since 21 December, when the secretary of state for the budget brought the "affair" before the Parliament, Elf-Aquitaine, the national oil group, is breaking all publicity records in fighting for its life. Swindle, abuse of power, defense secret, secret funds, ordinary deception, or obscure embezzlement; can the business be splattered by these words, flying from minister to former minister, and from judge to the President?

"The Norwegian test will tell us, by the end of the month, if our credibility is weakened abroad." On the 15th floor of a very large modern building in the 15th district of Paris, the company president Michel Pecqueur, is preparing the counterattack. In the North Sea, beginning this week, Elf-Aquitaine in competition with 22 other companies for the eighth block of offshore concessions offered for bids by the Norwegian government, intends to demonstrate its technical know-how.

It is inaugurating Frigg Nord-Est: six underwater oil wells whose submerged heads are remote-controlled from a platform anchored by Elf-Aquitaine 18 km away. A new achievement for an enterprise which has just performed a great technical feat: the first horizontal drilling, used since October 1982 in the Adriatic to exploit offshore oil from the beach.

This inauguration comes in time to allay the doubts that are now overwhelming the company both within and without. "Some of our staff are openly wondering if they are led by dummies," confided Francois Didier, director for planning. Last week, Mr Pecqueur gathered 300 of the staff at headquarters, on rue Nelaton, in a generally relaxed atmosphere of graduates from Institut Polytechnique and engineers from the School of Mines.

But can 800 million francs evaporated in four years for indeterminate purposes unbalance the giant which for 1983 is announcing a turnover of 130 billion francs, a cash flow of 14 billion, and leading position in size and profitability? A giant which is one of the rare public sector enterprises to distribute dividends? And which invested in the United States the largest amount (15 billion francs) ever to be invested by a foreign company? Begun in Lacq, Elf-Aquitaine is now spread between Gabon, the Chinese Peoples' Republic, and Guatemala, over some 50 countries, and trades not only in oil, but also in fertilizers, perfumes, solar houses, and so on. The folds of Elf-Aquitaine's blue and red flag also cover Formule 1, Tranxene of Clin-Midy, Charles Jourdan perfumes, Yves Rocher, Van Cleef & Arpels, carbon fibers, cheeses (Entremont), and so on.

### Brio

It is a formidable undertaking, combining the brio of the School of Mines brains and the will of the government, seeking to create a rival for CFP (French Petroleum Company-Total), which was deemed too timorous. A creation which was considered protected by the gods, and which now is confronted by a three-pronged threat: the uncertainty of the oil market, the difficult restructuring of the French chemical industry, and the dangerous adventure undertaken in the United States.

It indissolubly binds together oil and politics. General de Gaulle decides to endow France with a tool of international proportions by joining various companies funded by the government. To head the new entity, he names his armed forces prime minister, Pierre Guillaumat, the father of the strike force. The expulsion from Algeria in 1971--the group's second center of activities with Lacq--forces Elf to look elsewhere.

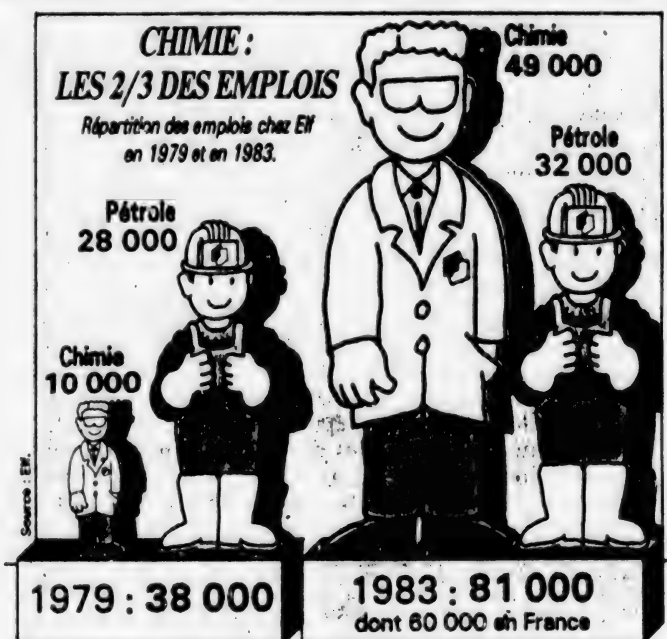
Another former minister, also a Gaullist, Albin Chalandon, is the one who transforms Elf into a multinational company. First in Africa, in the former French colonies. Gabon and the Congo are living solely from the oil manna redistributed by the subsidiaries of the French company: veritable proconsuls, its representatives exert a much more effective influence than the French Embassy.

Elf is also stressing its diversification: it acquires Texasgulf in the United States and changes its management style. The arrival of Mr Chalandon, inspector at the Ministry of Finance, denotes a break in the life of the enterprise, up to then a stronghold of School of Mines engineering alumni. His presidency is stamped by an incessant guerilla war with his jurisdictional minister, Andre Giraud. With Mr Pecqueur, former head of the Atomic Energy Commission, Elf's leadership returns to the School of Mines contingent. "Oil will still be our major source of cash flow in 1990," assures the new president.

Cash flow tripled in five years (in billion francs)

	1977	1978	1979	1980	1981	1982	1983
Revenues before taxes	37.6	41.0	56.0	76.7	104.4	114.8	130.0
Gross self-financing margin	5.3	4.4	10.1	11.3	10.9	11.3	14.0
Investment	8.7	5.3	5.3	9.1	17.8*	15.1	--

\*Except for acquisition of Texasgulf for 13.2 billion francs



Chemistry: two-thirds of the jobs -- Employment distribution at Elf in 1979 and in 1983.

1979: 38,000 -- Chemistry 10,000 -- Oil 28,000

1983: 81,000 of which 60,000 in France -- Chemistry 49,000 -- Oil 32,000

#### Luck

Elf-Aquitaine is first and foremost oil, as car owners know very well. The group presently has a distribution network of nearly 9000 pumps, which deliver about one-quarter of the French gasoline consumption under the Elf and Antar brands. It also has three giant refineries, Feyzin, Donges, and Grand Puits, the most modern in Europe. The group transforms 21 million tons of crude throughout the world. Its luck is to have its own reserves of crude: 16 million tons of oil, and 18 billion cubic meters of gas.

In the North Sea, its Ekofisk, Frigg, and Alwyn platforms confront the storms; along the African coast, those at Punja, Seixa (Angola), Likonala (Congo), and Port-Gentil (Gabon), are serviced by the 16 ships in its fleet. Elf-Aquitaine is also first in prospecting in Mer d'Iroise and the China Sea; it devotes 7 billion francs per year for drilling throughout the world.

Petrochemistry is next in line. From the start, the group created a site around Lacq to recuperate and exploit sulfur. It then entered into heavy petrochemistry in Feyzin. This activity, which involved only one-third of the personnel in 1979, today employs 60,000 technicians out of a total of 81,000 people. This is a consequence of the task assigned by the government to Elf to restructure the chemical sector of Pechiney, Gonfreville in the Seine valley, and the Rhone-Alpes region, where Elf produces ethylene, propylene, and most of the widely used plastic materials. Rousselot supplies the gelatin needed by film manufacturers. The company is deeply involved in fine chemistry: in the United States, it works with M and T Chemicals which it bought in 1977, whose annual turnover exceeds 2 billion francs, and with the mining enterprise Texasgulf, which at Lee Creek owns the most desirable phosphate mine in the world.

Elf did not need the "sniffers" scandal. The group had in fact entered an area of strong turbulence in its basic activity, oil. "In the short term, declining factors are clearly the strongest," analyzes Mr Pecqueur. Slowdown in activity, energy savings, nuclear power gains, and return to coal; the world demand for hydrocarbons has dropped. And despite the American recovery, it does not seem to revive.

#### Key

Like the OPEC countries, Elf-Aquitaine fears for its exploration and development investments, which would be endangered if the price per barrel were to drop below 25 dollars; at the same time, the placement in operation of a deposit such as Allwyn in the North Sea costs 2 billion dollars.

Everything will clearly depend on long range consumption. Like his colleagues in the "majors," Mr Pecqueur remains relatively optimistic. To renew its mining holdings--twice the size of France--during this year Elf-Aquitaine will invest 6 billion francs for exploration in the Gulf of Guinea, in Asia, and the United States, hoping to remain among the first four companies in the world (along with Exxon, Shell, and BP) in terms of success rate. The key to it all being its financial strength. But the Lacq revenues are weakening, and are difficult to replace: "The gross margin from the basin represents 7 billion francs," explains the financial director, Jacques Bonnet de la Tour. This is one-half of Elf-Aquitaine's cash flow.

Two dark spots exist in the oil activity, this time in France and upstream: refining and distribution. Refining lost 1.7 billion francs in 1983. The demand for heavy fuels collapsed and forced the closing or reconversion of refineries. At Donges, near Saint-Nazaire, Elf-Aquitaine allotted 2.5 billion francs to crack its heavy oils into light fuels. As for distribution, the network of Elf service stations, formed from successive reorganizations, must be rationalized. Distribution and refining also suffer from an "automatic formula" for price setting, which does not take into account the real evolution of the dollar.



Jostled by the oil situation, Elf-Aquitaine will be even more shaken in chemistry. When Pierre Dreyfus, minister of industry, selected Elf-Aquitaine at the beginning of 1982 to save Pechiney's chemistry, he placed his bets primarily on the dynamism of this nursery for engineers, and on the company's knowledge of the sector: Elf-Aquitaine already owns 50 percent of Ato-Chimie, which it shares with Total, and 80 percent of Chloe, which it bought from Rhone-Poulenc. But the minister wagered especially on the financial capability of the enterprise which had already been asked by the government to take over 50 percent of the assets of Le Nickel company. What other group in 1983 could have, thanks to its oil branch, shown despite everything, a net profit of 3.5 billion francs, after having digested a heavy chemical industry that was losing 1.3 billion francs?

The operation took place with a great deal of hue and cry. After a public fight with Rene Granier de Liliac, Total's president, a skirmish with Jean Pierre Chevenement, and a confrontation with Laurent Fabius, Mr Chalandon ended up by losing his seat.

That's because the transaction is not a giveaway. It amounts to asking Elf-Aquitaine to take charge of the French chemical industry for basic products, which has always been losing money. Elf, which supplies half of the PVC (polyvinyl chloride) used by European record manufacturers, will find itself saddled with low price products and crowded markets.

Mr Chalandon's successor, Mr Pecqueur, accepts the foundling and the check for 1.6 billion francs left in the basket by the government. The ball is in his court.

And a hard game it is! Throughout the world, heavy chemistry (chlorine, fluorine, chromium) is undergoing a crisis, pinched between a demand slowdown and an increase in costs. The same difficulties exist for plastics--low density polyethylene, PVC, and polystyrene. "You only need to look at the price range of our new line of chemical products, to understand our plight," explains Rene Sautier, head of the chemical sector.

#### Upheaval

Abundantly clear, indeed! Of course, carbon fibers sell at 400 francs per kilogram, and pharmaceutical specialties at ten times that, but they represent less than 15 percent of the turnover. On the other hand, two-thirds of this turnover is derived from products that sell at less than 10 francs per kilogram. Ultimately, Elf-Aquitaine ends up as a producer of quasi-raw materials for petrochemistry.

But in this area, the competing products manufactured in the gulf countries threaten to cause a true upheaval. Thanks to its gas resources, hydrocarbons and gas to manufacture ethylene will be available in Saudi Arabia at one-fifteenth of the price in France. The Saudi financier Gaith Pharaon (see LE NOUVEL OBSERVATEUR, No 419), who owns 10 percent of Montedison, fully intends to use the Italian company to market his ethylene in Europe. And Mr Sautier does acknowledge the need to join the Ten to avoid invasion. The temptation of protectionism is in the air.



For the time being, Mr Pecqueur will have to perform some surgery in France. His heavy chemistry has two drawbacks: it has excessive capacity as a whole, and is scattered among dozens of plants, neither of which has the critical mass to lead in any one specialty. "When I see in England or Germany an Imperial Chemical Industries or Hoescht plant with 30,000 employees at one location, I grow green with envy," Mr Sautier confides.

Elimination of 2300 jobs, mostly through early retirements, closing of units (L'Estaque in Marseille and D'Espiere in Savoie are threatened), investments, modernization, all the remodelling will cost a mere 4.5 billion francs over three years.

In exchange for this considerable financial effort, Elf-Aquitaine makes two demands of the government. First, a preferential rate from EdF (Electricite de France), as was the case for Pechiney; then, and especially, complete pricing freedom for plastics. "Our market is European," explains Mr Didier, "but our prices are blocked at levels that are sometimes 20 percent below the German and British rates." The result is that during a crisis, the companies of these two countries can perform an equalization, and export at prices that defy all competition. The government seems to have understood that, since a first hike was approved on 19 November, and another should occur at the beginning of February.

The theater of the other great challenge is the United States, where Elf-Aquitaine plays on two arenas. First, Texasgulf (TG), bought in 1981 for 15 billion francs, which means mining research and fabrication of chemical products, followed by oil prospecting.

Texasgulf? Mr Chalandon settled for this company after his ministry prevented him from acquiring Ker Mac Gee, a prosperous business involved in oil and uranium. But phosphates, which represent 60 percent of TG's revenues, took the brunt of the American agricultural crisis; with results close to zero, TG is certainly not the expected "new Lacq." Its personnel had to be reduced from 4000 to 3000 people in two years. Some assets had to be dropped, and others will soon be sold, like the superb cherrywood forest in North Carolina.

"We are at the bottom of the cycle, and the signs of recovery are here," states Michel Moreau, the man who watches TG's finances from Paris. The payment-in-kind program for voluntary reduction of planted acreage, launched by the Reagan administration, will not be repeated, and last year's poor crop raised agricultural prices. The demand for dry fertilizers is picking up, which is good news for the enormous Lee Creek phosphate mine, where the extraction rate had dropped. This deposit, which is the heart of TG's holdings, represents three centuries of reserves at the present rate of exploitation.

The prospects are less bright for sulfur (20 percent of revenues) and trona (natural soda). Unless new outlets are found, the overproduction does not appear close to being absorbed. Despite these difficulties, Mr Moreau hopes that TG will close 1984 with a small profit of the order of 40 million dollars.

## Dividends

Independent of the outcome, Elf-Aquitaine must repay the credits (1.35 billion dollars) extended to acquire TG. The parent company will transfer to the United States 150-200 million dollars until 1990. On rue Nelaton they hope that the dividends will not drop until after that date.

Elf-Aquitaine's America is not only TG. It is also, and increasingly, oil exploration. More than one year ago, the United States started the biggest sale of concessions ever offered in the history of black gold. The objective is to reconstitute reserves that have fallen to eight years of consumption. The bids are open to local as well as foreign companies, and Elf-Aquitaine has taken advantage of it.

In 1983, the group acquired participations in 43 blocks, most often in association with Exxon, Arco, and Aminoil, in the Bering Sea and the Gulf of Mexico. It will try its luck again in the spring, during the offerings in the Navarin Basin (Bering Sea) and in the Beaufort Sea.

Gilbert Portal, in charge of oil activities in the United States, explains: "We must take advantage of these sales while there is still time, to accumulate very risky land, to be sure, but at a good price, and to chose, thanks to our good technology, strong associates."

These purchases of concessions, added to exploration costs, are expensive: 1 billion francs last year, and the bill will be the same this year. The cash flow of hydrocarbon sales on the American market (two-thirds gas, one-third oil) will cover a little over one-half (600 million francs). But the rest will have to be provided by the French parent company.

When do we expect the results of this new American strategy? "Beginning next year," hopes Mr Portal, who believes in his lucky star but points out that the Norwegian North Sea did not begin to "put out" until 1970, five years after the first permits were issued.

Oil, chemistry, the United States: the group has used all its strategies. It can no longer allow its hand to be forced to acquire businesses in trouble, in sectors that are outside its specialties. "You have to know when to stop," says Mr Pecqueur. The new president undoubtedly does not want to open himself to an accusation of rampant nationalization. One does not abandon diversification, to be sure, but its justification will be technical and industrial rather than that of a conglomerate.

One example is Styrelf, a particularly heat resistant sulfurous asphalt mixed with elastomers, conceived in the group's laboratories. To sell it in the United States, Elf-Aquitaine bought Bitucote, an asphalt manufacturer, and is now tackling the Middle West market.

"In the future, however, we will select the opposite approach," explains Jean-Francois Saglio, deputy director for innovation. "Whenever possible, we will pick up elsewhere what we do not have, and exploit it with our financial capabilities."

This is the task assigned to Elf Technologies Incorporated, a venture capital company intended to acquire shares in innovating small and medium-sized American industries. The group is thus a shareholder of Chiron, a Stanford enterprise researching drugs for the treatment of hepatitis. "Sanofi is obviously interested in what the company is doing." In France, a comparable structure, Innovelf, has made it possible to create the Samea enterprise, which starting next summer, will produce in Idron, near Pau, an instrument which can analyze blood in four minutes.

#### Wagers

This year, the group will devote a trifling 2 billion francs to non-oil research. "In pharmaceuticals, the discovery and development of a new molecule costs 400 million francs," explains Mr Saglio.

These investments bring good returns. The bumpers of the Renault 5 are now made of polycarbonates supplied by Elf and CdF-Chimie. "We are working with Renault and Peugeot to find other applications. Our researchers must henceforth find upstream synergies," says Mr Sautier. The synergy is sometimes surprising: thanks to its Elf Bio-industries and Rousselot subsidiaries, the group can offer fragrances and food emulsifiers. "We are cooperating with BSN, which wants to further diversify its yogurt line."

Harbingers of the future, these diversifications are marginal for the time being. They are not very helpful in facing current difficulties.

The first of these difficulties is of a social nature: how to eliminate without trauma, 4300 jobs considered superfluous throughout the group? "We are on top of this problem," states Joel Bouchaud, director of Sofrea (Elf-Aquitaine Regional Financing Company), a subsidiary created in Pau in 1978, to encourage continued employment and the formation of new enterprises in the region. Sofrea lends up to 50,000 francs per job, at 8 percent, and is currently working on its 406th case. "All in all, we have already loaned 573 million francs, participated directly in the creation of 7000 jobs, and retained 5500 others." This support sometimes places Sofrea in Datar's (Delegation in Charge of National Development and Regional Action) role: Elf-Aquitaine's 45 million have strongly encouraged Sony in locating two video cassette plants at Bayonne and Dax.

In this respect, the group does unquestionably enjoy a good image.

For the time being, its credibility will be tested in Norway in days to come, and in chemistry and in the United States for the next two years. While with some luck, the American wager can be won in the intermediate term, the adventure of chemistry is more uncertain.

Uncertain as are the marks left by the "affair" within the group. Some of the protagonists, such as Gilbert Rutman, Elf-Aquitaine's vice-president and director general, are still in their positions. In a letter to the staff,

Mr Pecqueur writes: "Our group is presently undergoing some difficult moments. Its strength and cohesion will be measured in adversity." In private, he confides that "contrary to what we might have feared, the chemists have demonstrated solidarity with the oilmen."

Nevertheless, it would be better if adversity did not strike too often.

#### Technical Feats

From geology to biotechnologies, and naturally including oil exploitation. Elf-Aquitaine devotes more than 1 percent of its turnover to research. Just like researchers throughout the world, the group's teams are sometimes stung by doubtful inventors. But thanks to this effort--nearly 2 billion francs--the company has formed a portfolio of more than 4000 patents and has achieved several major discoveries. Such is the horizontal drilling technique, which the engineers of the large companies had on their drawing boards for several years. The major difficulty is to maintain horizontality several thousand meters underground. This process allows better hydrocarbon recovery in fissured or thin deposits, or in water impregnated reservoirs. As an example, the Rospo Mare deposit in the Adriatic was difficult to exploit with vertical drilling; the wells would have produced water. Another application of this technology, which Elf-Aquitaine developed with the French Petroleum Institute (IFP), is exploitation under a town or protected site, which is impossible with conventional techniques. Snea expects to drill horizontally this year under the town of Pau, seeking deposits that could replace those of Lacq. Given the interest encountered throughout the world in horizontal drilling, whose cost is only two to three times that of conventional drilling, Elf-Aquitaine and IFP have just created a joint subsidiary, Horwell.

The so-called "wild" research--very innovative and high-risk--is beginning to bear fruit. Elf's drilling teams will soon be able to use artificial intelligence. In brief, this involves a sort of intelligent data bank which offers a solution adapted to the problem encountered, from all the ones that were used in the past.

Another innovation, not connected with oil this time: SAM, a system of medical analyses, developed at the Lacq research center. Using this portable instrument, an operator determines in less than five minutes and with only four drops of blood, the blood's content of metabolites (glucose, uric acid, cholesterol, urea, and triglycerides) and enzymes.

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CSO: 3519/175



## LABOR CONFEDERATION ISSUES 1984 DEMANDS

Athens I KATHIMERINI in Greek 18-19 Dec 83 pp 1,3

[Article by K. Tsopolidis]

[Text] For 1984 GSEE [Greek General Confederation of Labor] will demand that a national collective labor contract for workers in the private sector be signed which will provide the granting of a reparative sum for 1983 and a genuine ATA [Automatic Cost of Living Readjustment], estimated every four months on the basis of the new price index, as well as a change (increase) in the ATA brackets.

This emerged from the 17 December meeting (at 1800) of a GSEE delegation with Minister of National Economy G. Arsenis, with whom the issue of the income policy was discussed and the demands of employees and wage-earners in the private sector for 1984 were developed. The GSEE delegation also asked Mr. Arsenis to take measures against unemployment, and for more substantial tax reliefs, price controls, generalization of the five-day work week, and satisfaction of other institutional labor demands.

The new 45-member GSEE administration, which is going to meet in a body on Tuesday, 20 December, to elect the 17-member Executive Committee, will complete its planning for labor demands since, in the meantime, the government's income policy will have been announced, as is anticipated for tomorrow, 19 December. GSEE will then stipulate the more specific demands it will pursue with the national collective labor contract--according to estimates, they will ask for the minimum wage to be formed at around 1,250 to 1,275 drachmas--from the employer organizations (SEV [Association of Greek Industrialists], etc.).

The related negotiations between GSEE and employers are expected to begin in the first 10 days of January, after the force of Article 27 of Law 1320, which suspended collective negotiations in 1983 and prohibited the granting of increases beyond the limits of the income policy, ends in the meantime (on 31 December 1983).

In the frameworks of the new national collective contract, which is expected to be signed by the end of January, negotiations will begin in February for branch collective contracts in which employees and wage-earners in the various branches will lay claim to their wages and other branch demands for 1984, analogous to the height of inflation, but also the special conditions, particularly the productivity of each branch or enterprise.



## The Government's Position

For the government the problem emerges of some control of the collective procedures in the branch contracts so that their increases do not exceed to a significant amount the limits of the government income policy. Up to now, the government, in order to exercise the related control, has employed the law on compulsory arbitration (3239), where branch collective differences can be referred and, with the possibility offered by the provisions of this law, the branch demands can finally be designated in the frameworks of the government income policy.

Despite all these, however, with the possibilities offered to the workers by arbitration of collective bargainings, problems will exist for the government not only in the private sector where Article 4, which restricts the right to strike, is not in force, but also in the public organizations.

Problems will emerge for the government mainly in the branches where there are significant losses in the workers' income not only in 1983 but also in 1982, and which have possibilities for dynamic oppositions with strikes. Furthermore, the change in the correlation of trade-union forces, as it is being formed following the GSEE congress, restricts the restraining capabilities of pro-government trade-unionists against the expression of dynamic oppositions by the workers.

9247

CSO: 3521/125

## INDUSTRY TO BENEFIT FROM EXPANDED 1984 INVESTMENT

Athens I KATHIMERINI in Greek 5 Jan 84 p 7

[Text] A Large Portion Will Be Allocated to Greek Industry

The state investment plan, combined with the programs of allocations to state industries, will exceed 200 billion drachmas this year. The government is determined to use this great purchasing power of the state as a tool to promote industrial growth and increased employment, according to the Alternate Minister of National Economy. The minister, Mr R. Vaitzos, added that the changes taking place in the management of the state sector are included in the trio of goals: Hellenization, modernization, public health.

In reference to this year's plan, the Minister said that:

In 1984, the intensive activity which characterized 1983 regarding changes in the state investment sector will continue.

Specifically:

## Hellenization

1. With regard to the exploitation of mineral resources: Greek companies will be in charge of a significant portion of mining equipment. With regard to allocations, we will instigate a new method by which we will control the import of technology and encourage production in Greece. The projects to be allocated are estimated to cost 32 billion drachmas. Of this, 22 billion drachmas' worth will be carried out by domestic contractors, and will correspond to 6,000 man-years of employment. It will also constitute a great savings in foreign currency.

2. Agriculture: An agreement under contract will soon be reached for the construction of air-mixers which will confront one very basic problem in agricultural production. The cost of the construction

will amount to approximately 5 billion drachmas over the next five years. According to the agreement, construction in Greece and the purchase of technical expertise will comprise seventy percent of the total cost of the project. This will constitute a 2.5 billion drachma savings in foreign currency, and will create approximately 2,000 man-years of employment.

3. Public Health Sector: We proceeded toward the signing of a yearly contract with a Greek company for the continuous supply of hospital materials (disposable syringes), with the prospect of expansion of the contract to a two year agreement for construction of blood purification filters. The above agreements will result in savings in foreign currency of one billion drachmas, and in the creation of 200 man-years of employment. With this agreement, we combine the advancement of the state investment policy with the management of significant concerns about problematic companies.

4. Local Government: A contract for the construction of garbage trucks to cover the large needs of cities and towns is in an advanced state of preparation. This agreement will be handled in a similar manner as that regarding industrial slaughterhouses. It will constitute a savings in foreign currency of 2.6 billion drachmas and will create 1,600 jobs.

5. Public Services: This involves a more elaborate method which aims not only to satisfy existing needs but also to bring about the qualitatively essential contribution by the state sector toward the supply of services which will aid in the process of national development.

a) With regard to railroads, we are moving toward realization of the plan for the modernization and completion of the system of light signals and electrically-powered trains. In pursuit of this goal, 30 billion drachmas will be spent over the next ten years; the main target will be the reinforcement of domestic industry. In 1984, we will proceed toward the allocation of projects up to the 8 billion drachma mark. Greek participation in these projects will constitute 50 percent, and they will create jobs for approximately 1,500 people annually.

b) A five-year plan for the construction of the broadcasting station ERT (1 and 2) will be implemented at a cost of 1.25 billion drachmas, with the cooperation of both EAV and the lowest bidding company. This method will save at least 60 percent of the total cost in foreign currency. The collective planning for the country's needs regarding harbor equipment has been completed in a manner that will reinforce overall domestic industry. The total cost amounts to approximately 5 billion drachmas, and according to the prospective agreement to be signed, 50 percent of the equipment will be constructed in our country. Ultimately, 2.5 billion drachmas worth of foreign currency will be saved and an additional 1,000 man-years of jobs will be generated.

#### Modernization - Sanitation

1. In the coming month, the Unified Program for 1984, which has been edited taking into account the new criteria and methodology, will be ready.
2. At the same time, the establishment of a comprehensive supervisory system for the execution of the Program will be complete.
3. Soon, the new legislative framework for the state sector investment will be presented for approval by Parliament.
4. Finally, in conjunction with EPP 1984, regulations that will unilaterally determine the system for evaluation of the bids by all the designates will be published for the first time.

12542

CSO: 3521/142

## KKF (INT) ATTACK ON 'ANTI-WORKER' 1984 BUDGET

Athens I KATHIMERINI in Greek 18-19 Dec 83 p 3

[Text] "The budget which the government has drawn up for 1984 does not promote a developmental policy, it increases the workers' tax burden and decreases their income." This is emphasized in the 17 December communique of the KKE Interior, in which it is added:

"As it serves the objective of decreasing the deficit and, through this, the rate of inflation, it curbs expenditures and seeks to increase revenues. Thus the public investments program is increased by only 25 percent at current prices--that is, at least, more than the forecast inflation. The allocation for investments in industry, energy and handicrafts is decreased in real numbers.

"Relative increases are seen in the regular budget's expenditures for education (27 percent), and for health, welfare and social security (28 percent).

"On the other hand, while various partial changes are being made in the tax system, the coefficients of taxation are not being fully indexed. Thus, as long as workers take the whole 1984 ATA [Automatic Cost of Living Readjustment], even those with the lowest wages will suffer a decrease in their income from taxation.

"The nature of the budget expresses the inadequacy of the economic policy which the government has exercised these last two years. It is connected to the mistaken orientation 'first stabilization, then development.' Despite announcements from time to time, the government has not proceeded to structural changes, it has not promoted democratization and reform of the public sector and lucidity in the credit system. It has not proceeded to the necessary forms of social control in private enterprises. Thus, the government has not succeeded in implementing a developmental policy which would pull the economy out of stagnancy and decrease inflation."

9247

CSO: 3521/125



## BRIEFS

EXPORTS TO MIDEAST DECLINE--Greek exports to the Arab countries in the period January to September 1983 showed a decline as concerns their value in dollars in comparison to the same period in 1982. According to data of the Arab-Greek Chamber of Commerce and Development, in this period they went from 49.7 to 57.5 billion drachmas, approximately, which means a significant decrease in their value in dollars. A significant increase was shown in this period by Greek exports to Algeria, which is now included among the three leading Arab markets for Greek products, to Saudi Arabia, which holds first position among the Arab countries, but especially to Morocco (588.6 percent). The total Greek exports to the Arab countries increased in drachmas by 15.7 percent in the period January to September 1983, while imports to our country of products from these countries decreased by 34 percent and went from 123 billion drachmas to 81.2 billion drachmas. With this development, the Arab countries' share in the total of Greek exports was reduced from 23.03 percent in January to September 1982 to 22.97 percent, and in the total of Greek imports, from 26.67 percent to 15.08 percent. An appreciable decrease was observed in Greek exports to Iraq (53.6 percent), while Greek imports from the same country increased by 180.1 percent. [Text] [Athens I VRADYNI in Greek 13 Dec 83 p 15] 9247

CSO: 3521/133

## CEOE HEAD ON SHORTFALLS IN INDUSTRIAL POLICY

Madrid ABC in Spanish 16 Jan 84 p 61

[Interview with the chairman of the Industry Commission of the Spanish Confederation of Business Organizations (CEOE), Carlos Perez de Bricio; date and place not specified]

[Text] Madrid--Inasmuch as constraints and regulations have prevented a day-by-day reconversion by business, one has to be carried out now without delay. The lesson that we should learn from this is that we have to make the economy more flexible so that such traumatic action is not required in the future. This is Carlos Perez de Bricio's view on the reconversion process that the government has begun.

[Question] What is your assessment of the reconversion philosophy that the government is espousing?

[Answer] We feel that an industrial reconversion was absolutely necessary. Business has to reconvert if it wants to increase or even maintain its presence in increasingly competitive world markets. Remember that Spanish business has been especially hard hit by two factors: the rigid framework in which it has had to operate, and the sharp rise in labor, fiscal and financial costs since the start of the energy crisis in the fall of 1973. On top of this came a drop in demand, which has been particularly sharp in certain basic sectors such as steel and shipbuilding.

Thus, since constraints and regulations have prevented a day-by-day reconversion by business, one has to be carried out now without delay.

The law that sets forth the government's philosophy in this regard is not perfect, but it does provide a framework in which the needs of business can be reconciled with the government aid that has been established.

[Question] You said that the decree-law is not perfect. In your judgment, what aspects of it are not to your liking?

[Answer] The decree-law is not perfect not so much because of what it says as because of what it fails to say. We realize that it is a general framework, to be developed further by subsequent sector reconversion decrees. Nevertheless, we feel that certain specific points were important enough that they should have been included in this decree-law, and if their later development is not along the lines that we feel are appropriate, they could adversely affect the effectiveness of the reconversion process. For example, the Employment Promotion Funds, which the initial draft had viewed as one of the key labor measures in the industrial reconversion, have been relegated to subsequent decrees as far as their specific makeup, financing and goals are concerned.

In addition, we still do not know how much funding is going to be channeled into this process, and specifically the government has to further explain the compulsory investment ratio referred to in Article 10, because this is the source of financial transactions with new funding earmarked for companies.

[Question] Yet one of business's most frequent criticisms and charges is that there is a danger of a covert nationalization...

[Answer] Yes, the initial drafts did include certain elements that we considered dangerous and open to interpretation as a mechanism that would expand what we called a covert or bureaucratic nationalization. However, the administration has introduced certain changes in the initial text in a bid to make it more effective and functional in achieving the real goal of straightening out and modernizing industry. These changes considerably mitigated our fears, which centered around the treatment of voting rights and of the executive agencies of the reconversion plan and the great power accorded the reconversion associations.

[Question] The decree-law contains a section on reindustrialization. Do you think that it goes far enough on this point? And in any case, isn't there a parallel between the Development Poles and the Urgent Reindustrialization Zones?

[Answer] It is my feeling that it is difficult to include in a law all of the elements that a reindustrialization process ought to cover. Bear in mind that in the end it will be market forces that will determine industrial growth and the creation or disappearance of companies, within a general framework of economic policy that makes possible increasing levels of competitiveness.

Therefore, the best reindustrialization decree would be one that, within a framework of wideranging freedoms, would encourage business to flexibly and effectively adapt to the requirements of domestic and foreign markets, to come to grips with the at times sudden swings in the relative costs of industrial inputs and, lastly, to meet the needs of innovation and technological development.

Nonetheless, by creating the Urgent Reindustrialization Zones (ZUR), the government is endeavoring to mitigate the impact of the crisis through compensation mechanisms in the zones in which a sector has been declared in reconversion. We cannot compare the ZUR's and the traditional Development Poles because they are responses to distinct situations. The poles sought to provide incentives for the industrialization of depressed areas, while the declaration of a ZUR seeks to mitigate the effects of declaring that sectors or businesses located there are being reconverted. This is also happening in the European Economic Community, which along with the traditional regional development measures, has provided a series of incentives for the reindustrialization of areas hard hit by crisis-ridden sectors or companies.

[Question] What do you think of the so-called discrimination that the decree-law introduces, among both companies and workers untouched by the reconversion?

[Answer] That concern really exists, and the CEOE has talked about it on many occasions. We feel, however, that this is an exceptional situation and, therefore, that exceptional measures are needed to deal with it effectively. Nevertheless, arrangements should be made (and day-to-day experience will tell us which ones) to mitigate the impact on other industries, especially small and medium-sized ones.

All of this demonstrates that the reconversion process now under way is a challenge to the entire Spanish society, an unfortunately necessary and urgent challenge because some sectors could not wait any longer. The lesson that we should all learn from this bitter experience is that we must do everything we can to avoid having to go through such traumatic situations in cycles. And only a consistent economic policy with freedom in daily business decision-making can do this.

[Question] Was the decree-law the result of negotiations or, on the contrary, did the government impose its views at all times?

[Answer] There were no negotiations as such, in fact. There was, however, a dialogue (which I always feel is fruitful) between the government and the social partners, because, after all, they are the principals in the process. I must say that the employers clearly and firmly outlined their views on those aspects of the initial text that caused the most concern and, at the same time, offered specific proposals to make the reconversion mechanisms called for by the government more practicable and effective. Some of our programs have not been taken into account, so as I mentioned before, serious questions are still unanswered, such as the Employment Promotion Funds and the financial issue.

## INDUSTRIAL POLICY RISKS JOB LOSS, HIGHER EXPENDITURES

Madrid ABC in Spanish 16 Jan 84 p 15

[Editorial: "Risks of Reconversion"]

[Text] The approval of the Royal Reconversion and Reindustrialization Decree comes at a time when economic strains are reaching a peak as a result of two factors: the considerable rise in unemployment and the no less considerable increase in government spending.

According to data from the National Statistics Institute, from December 1982 to December 1983, a period throughout which the Socialist administration has been in power, unemployment rose by 191,000. Not only has it totally failed to keep its repeated campaign promise to create 800,000 jobs, but it has seen almost 200,000 more jobs lost. We are drawing dangerously near total unemployment of 2.5 million, higher than in France, which has a larger labor force than we do, while the much criticized U.S. economic policy (whose alleged failings and shortcomings our television denounces every day) has succeeded in creating 4 million new jobs in 1983. The Socialists have been a resounding failure in this area, as have the initiatives and demands of the UGT [General Union of Workers] and CCOO [Workers Commissions] to pave the way for new job opportunities.

Moreover, the total cost of the reconversion will come to a trillion pesetas, comprising budget subsidies and transfers, loss compensations and capital expansions for public enterprises, loans from the Industrial Credit Bank, INI [National Institute of Industry] loans and guarantees, etc. The negative repercussions of this huge infusion of funds for reconversion do not require detailed commentary; they are obvious, namely, the crowding out of the private sector, inducements to boost taxes and strong inflationary pressures. The exceedingly high cost of the reconversion threatens to become an extraordinarily heavy millstone that the country will not easily rid itself of in the near future. And the most disappointing thing is that with the logical exception of the Ministry of Industry and, out of solidarity, the administration, the reconversion operation satisfies no one.



It does not satisfy the unions because in addition to not addressing some of their grievances, it does not guarantee that the employment level will be maintained or that new jobs will be created. It does not satisfy the banks because certain of the plan's financial measures are going to worsen already onerous ratios and because the investments that banks and savings institutions make as capital outlays, not as loans, would have to be voluntary, to replace other compulsory investments and, in any event, would be rewarded as venture capital, as share capital.

Lastly, this kind of reconversion does not satisfy business either, and not because business does not believe that a reconversion is necessary. It feels that one is, to achieve greater competitiveness and to bring in new technology. Business feels that since it was government inflexibility and intervention that got the country into a situation in which it needs a reconversion, the best approach to one would be to give private enterprise a more active role and greater freedom.

What businessmen fear most, however, and with good reason, is that given its functional and financial characteristics, the reconversion program will turn out to be another avenue for a covert nationalization of companies.

8743

CSO: 3548/169

## ULAGAY ON TRANSITION TO GUIDED MARKET ECONOMY

Istanbul CUMHURIYET in Turkish 15 Dec 83 pp 1, 11

[Article by Economics Editor Osman Ulagay: "Towards a Guided Market Economy"]

[Text] Ozal is now prime minister; the government is now the Ozal government. As pointed out in yesterday's newspaper headlines, the time has come for doing instead of talking, for action instead of promises.

Much is expected of the Ozal government, especially in the area of the economy. While the "marmast" in particular anxiously waits to see what Ozal, the man who campaigned so strongly on the economy, will do with the economy, practically everyone from the largest or smallest industrialist to the merchant, from the exporter to the importer, from workers to housewives is asking, "How will it affect me?" Among those most anxiously waiting for Ozal's action on the economy, too, are the ones who fundamentally oppose Ozal's thinking in this regard and are impatiently waiting to see how big a mess he will make of the economy. This group includes some former bureaucrats, some owners and managers of large holding companies, some economists and newspapermen. Naturally, the opposition parties must be considered in this context also.

What is expected now is the full implementation of the method of directing the economy that Ozal has been contemplating for a long time, but found it possible to implement only partially after 24 January. The first principle involved is that basic decisions would be made by a single managing body and the entire state organization would work in disciplined harmony all the way down the line in carrying out these decisions. The second principle is that basic decisions would define general guidelines and be universally applicable insofar as possible and involve no intervention in the details of the marketplace. It is perhaps possible to call this method by which Ozal intends to run the economy a "guided market economy."

It is more or less known what the basic decisions that will guide the economy in the period ahead will be. For the concrete form and intricacies of these decisions, though, it is necessary to wait for the government program and the directives and revisions it will initiate. What can be said at present is that Ozal will put first priority on (a) bringing down inflation, (b) doing this without causing production to flounder or shrinking the domestic market, (c) increasing exports and (d) securing foreign resources. In order to achieve his goals on

the latter two points in particular, development of Turkey's foreign relations will have a great deal more bearing than originally thought. Ozal's comments to the representative in Turkey of a very important international organization tend to bear out this conjecture.

We think that the Ozal economic team, in deciding what it is they will do in the economy on the basis of these priorities, has looked and is looking at the facts and figures, compiling statistical studies. One member of this team is working on an equation with 13 variables to determine what the volume of savings may be, while another is doing intricate computations to discover the exact rate of inflation. The measures that may be taken in light of these computations and the basic direction and signals to be given the economy are being hammered out.

The make-up of the Ozal cabinet, too, is doubtless consistent with the new approach planned in the economic arena. Assigning all economic powers to the deputy prime minister, placing taxation and customs functions under a single ministry and forming a new ministry called the ministry of industry and commerce are all indicators of this. The recognizable names in the cabinet give at least some idea of "how the yogurt is to be eaten."

Kaya Erdem, the deputy prime minister, is known as a meticulous technician and dutiful implementer. It is puzzling that the person installed in this important a ministry should have been one of the household words during the earlier brokerage incidents. Erdem will probably not be able to forget this in anything he does and especially in what he says. It is also interesting that Husnu Dogan, who got such high marks on foreign capital as chief of the Foreign Capital Department, should be put in the Ministry of Agriculture and Forests. The appointment of such a minister to agriculture where foreign capital and especially American capital is of the highest concern says a lot. Meanwhile, the fact that such members of Ozal's economic brain trust as Yildirim Akturk, Ekrem Pakdemirli and Adnan Kahveci have positions outside the cabinet leads one to believe that certain noncabinet jobs will play a very important role in focusing the future direction of the economy.

8349

CSO: 3554/98

## STATISTICAL OVERVIEW OF 1983 EXPORTS

Istanbul CUMHURİYET in Turkish 15 Dec 83 p 9

[Text] Economic Service -- The first cheerful note for the newly formed Ozal government has come in the report on sales abroad. According to the interim data, exports in October rose 10 percent over the same month last year, reaching \$620 million. This makes it the highest rate of increase in recent months. It is estimated that if the October performance continues for the final 2 months of the year, total exports for 1983 will exceed \$6 billion.

October exports have exceeded \$600 million already, according to an ANKARA AGENCY report. Officials at the State Institute of Statistics said that October exports were expected to be around \$615 million-\$620 million as soon as the final reports come in from customs. Exports in October of last year were \$560 million. Thus, at a 10-percent rate of increase, October exports have reached the highest level of recent months. Earlier, exports had reached a 20-percent increase rate in April. In July, however, exports declined 15 percent and in August and September registered only slight increases.

Meanwhile, the figure closest to last year's export growth rate, in monthly increases, came this October also. An increase in exports of 15 percent over the equivalent month of the previous year had been registered in October 1982.

If October exports come out at \$620 million, the export figure for the first 10 months of this year is expected to top \$4.5 billion. This would be an increase of around 3.4 percent over the same period last year with \$4.378 billion in exports. Export growth from January through September had stayed at 2.3 percent.

If November and December figures this year match last year's, 1983 total exports will be \$5.9 billion. This would amount to a 1-percent increase over last year's \$5.745 billion in exports. Also, this figure will fall below the thrice-revised target of \$6.2 billion.

If the October performance continues into the final 2 months of the year, however, 1983 total exports will top \$6 billion, but still would not reach the targeted figure.

The October rise in exports was largely influenced by increased sales to Iran and Iraq. There was also some slight movement caused by seasonal conditions in agricultural products, which had been on a downslide since the first of the year.

Exports by Month (\$ million)

Month	1982	1983	Variation(%)
January	446.1	478.1	7.2
February	410.2	403.4	-1.6
March	447.3	476.5	6.5
April	402.1	483.5	20.2
May	414.5	425.5	2.6
June	419.6	406.9	-3.0
July	412.7	351.8	-14.7
August	408.4	422.5	3.4
September	456.4	460.0	0.9
October	560.0	620.0	10.0
First 10 months	4,377.3	4,528.2	3.4

8349

CSO: 3554/98



## ULAGAY ASSESSES 'TRAP' OF EASY ECONOMIC SOLUTIONS

Istanbul CUMHURIYET in Turkish 9 Jan 84 p 9

["Economy Notes" column by Osman Ulagay: "The Easy Solutions Trap"]

[Text] At the time when Turgut Ozal, who is currently Prime Minister, was responsible solely for the economy, I had the impression that he took a light and overly simplistic approach to important-looking problems. For example, the companies' financing problems, the turmoil in the bank and broker sector and the difficulties encountered in restructuring the economy were, according to Ozal, problems that could be resolved with simple formulas. Later developments, which eventually resulted in Ozal's departure from office in mid-1982, proved that that was far from the truth.

Today, Ozal is responsible for all the affairs of the country, not just the economy. The key position in charting the course of the economy is occupied by another engineer: Professor Ekrem Pakdemirli. The assumptions on which the government's hitherto announced economic measures are based, initial results observed in implementation and the Honorable Pakdemirli's answers to certain questions raised in connection with the new measures at a press conference a few days ago show that Ozal's habit of oversimplifying some very serious problems and proposing "easy solutions" for them has become the general attitude of the present administration. These indications frankly worry those of us who are trying to evaluate this government's implementations without any preconceptions.

First, let us look at the interest rate decisions which were announced with great fanfare. While it is too early to make a sound evaluation, there is a broad impression that optimistic expectations to the effect that abundant quantities of fresh resources will flow into the banks and that credit costs will come down quickly will not be fulfilled too easily.

The "window" provision, which authorizes commercial banks to set buying and selling rates on foreign currency within certain margins and which has been introduced in order to prevent two separate exchange rates for the Turkish lira and to eliminate the "Tahtakale market", could not, in its first week of implementation, stop a rapid decline in the exchange rate of the lira--helped partly by the banks--and a growing difference between the banks' rate and the Tahtakale rate. Experienced businessmen and experts state that exposing the lira through a "window" before insuring that Turkey would have certain major foreign currency revenues will only lead to a rapid devaluation of the Turkish currency over a short period of time.

The new import regime, which was announced with slogans of "opening up the Turkish industry to foreign competition and breaking up monopolies", has only led to concerns that the new system will not be too effective in breaking up monopolies outside the government sector and that it will open up new prospects for the smuggling sector. In practice, the bureaucracy will once again be responsible for mollifying these concerns.

Various circles have expressed serious concern over the fact that the new export regime--the details of which are not yet completely known--while providing extensive opportunities for large exporting firms, will block the path of industrialists and small and medium exporters who want to export directly and will "stifle the export fervor."

Such concerns were expressed and deficiencies observed in the government's economic program were discussed at a panel discussion last week among businessmen and academics closely linked with these issues. The simplistic approach exhibited by Professor Pakdemirli, the new key man of the economy, when he spoke during these discussion to mollify these concerns only served to heighten such concerns, at least for those who think like myself. If you ask why, let us try to explain with examples:

--How will exports be substantially increased, particularly in the industrial sector, without boosting investments? According to Pakdemirli, all the problems will be resolved when the industry sector increases its capacity utilization, currently at 65 percent, to around 90 percent. Where will the capital come from to achieve such high capacity utilization rates? What are the export prospects for sectors which have low capacity utilization rates? If the Turkish automotive and refrigerator industries raise their capacity utilization from 30 or 40 percent to 90 percent, which foreign markets will they be able to sell their products in? These questions do not appear to be important to Pakdemirli.

--If the new import regime leads to a flood of imports, similar to the one we had in the 1950's, how will the resulting gap in the balance of payments be closed? According to Pakdemirli, the new import regime will increase Turkey's import bill by at most \$2 billion. He also states that Turkey has the potential to increase its exports threefold in three years and that the liberalization of imports will make the utilization of this potential possible. It seems that the large exporting firms will realize this miracle.

--Having written off various sources of tax revenue, mainly taxes levied on interest income, how will the government finance its already large budget deficit? Pakdemirli states that the budget deficit currently exceeds 300 to 400 billion Turkish liras and that the tax revenue written off by the latest measures amount to nearly 200 billion Turkish liras. According to Pakdemirli, however, the new invoicing system, which will be implemented with the help of the citizens, will increase the number of taxpayers by at least 20 percent, and the Treasury's deficit will thus closed, "God willing" (Pakdemirli's expression).

--As for the problems of the mainmast, such as the high cost of living and unemployment, the cost of living problem can be partially resolved if at least two people work in every family. The unemployment problem will be partially

relieved by the 300 to 400 billion Turkish liras to be channelled into the housing sector. Large investments and rapid growth are of secondary importance for the moment because higher priority has been placed on redressing the imbalance in income distribution and breaking up monopolies. The fast pace of investments between 1974 and 1979 cannot continue, and those wishing to invest must turn to the people. It is a fact that a growth rate of 7 percent is necessary to prevent unemployment from rising, but that rate will be achieved in two or three years, and the growth rate will remain at around 5 percent for the moment. This is what the Honorable Pakdemirli said.

Turkey has suffered a lot from an overcautious bureaucracy which did not do anything out of fear that something could go wrong, but approaching very serious problems with such simplistic solutions does not seem to be the way to rectify that situation.

An easy solution scenario is also ready for redressing the imbalance in income distribution and relieving the mainmast's cost of living problem. According to Professor Pakdemirli, this scenario will also help our Westernization process. As luxury American products fill stores and showrooms, Turkey will assume a Westernized look. The high taxes paid by Turkey's upper classes while buying these luxury products will rejuvenate the housing sector, and that will create new job opportunities. Families having hardships to make a living will be able to resolve their problem if two instead one person in the family work. Is that not nice? Never mind that new investments and the growth rate have to remain suppressed and that a 7-percent growth is required to keep unemployment from rising.

9588

CSO: 3554/125

## HEAD OF FRG'S RUHRGAS AG EXPLAINS NEED FOR NORWEGIAN GAS

Oslo AFTENPOSTEN in Norwegian 20 Jan 84 p 32

[Article by Flemming Dahl: "Germans Desire More Norwegian Gas"]

[Text] "The West German distribution company Ruhrgas AG is interested in buying gas from Sleipner and other fields on the Norwegian continental shelf," said the company's Administrative Director Klaus Liesen to AFTENPOSTEN.

"For special reasons, however, I believe that the British national gas company is very competitive with the Sleipner gas, so I can not exactly say that it is probable that we will be buyers of it. Nevertheless we are in serious negotiations," said Liesen during a visit to Oslo.

According to Ruhrgas figures, 15 percent of West Germany's natural gas consumption in 1983 was met by deliveries from the Ekofisk area, while 34 percent came from Netherlands, 20 percent from the Soviet Union and 31 percent from West German fields. The figures also show that natural gas supplied about 15 percent of the total energy consumption in West Germany.

Prognoses show that the country needs new gas import contracts to meet the needs beginning in the 1990's, despite Ruhrgas having already signed contracts for delivery of Norwegian gas from the Statfjord field and others from 1986.

#### Less Than 18 Percent Share

According to Klaus Liesen the West German goal is to hold the gas share of the total energy consumption below 18 percent. But he said he is interested in seeing that Norwegian deliveries in the future exceed the present 15 percent of gas consumption.

"But just to maintain this 15 percent share in the 90's we also need in the 80's to enter into one or more new contracts with Norwegian suppliers," said Liesen.

Liesen emphasized, however, that Ruhrgas can not pay more for Norwegian supplies than what the company considers to be the market price. Potential buyers in Great Britain and the continent see the Norwegian price as excessively high, which has so far made it difficult to sell Sleipner gas.

The national oil company Statoil is leading the negotiations on the Norwegian side, and they hoped for a long time that a contract would be signed before the end of 1983, so that the Storting would have a reasonable time to work on the development plans for the Sleipner field in the spring of 1984. Now it looks bad for that time plan.

The Ruhrgas official was in Oslo Wednesday and Thursday to sign a German-Norwegian scholarship agreement, but on Thursday he used the occasion to make a so-called courtesy visit to Minister of Oil and Energy Kare Kristiansen.

Kristiansen told AFTENPOSTEN that obviously the question of the purchase and sale of gas dominated the meeting. Liesen emphasized, according to Kristiansen, that the latest agreements for further Soviet deliveries to several European countries had not weakened the interest in more Norwegian gas.

"I believe it was a very useful conversation, because Statoil is now in a decisive phase in negotiations, both with Ruhrgas and British Gas about the sale of Sleipner gas," said Kristiansen. He emphasized, however, that Norwegian authorities still do not intend to get involved in these negotiations.

"I pointed out, however, that a critical point is approaching concerning the sale of Sleipner gas, and thereafter the sale of Troll gas," said Kristiansen.

Liesen made it clear that Ruhrgas can not pay just any price for Norwegian gas, but as Kristiansen said, "I pointed out that if continental buyers want North Sea gas as a balance against dependence on Soviet gas, they must pay for that security. It is of course a question of seeing that the Soviet Union does not get a monopoly."

On the question of whether Liesen took up the Norwegian tax level and its influence on the price Norwegians want for their gas, Kristiansen said, "He definitely did touch on that." Kristiansen repeated, however, the previous statement that taxes are not going to be lowered in order to sell Sleipner gas.

Press spokesman Hakon Lavik at Statoil told AFTENPOSTEN that there have been negotiations this week with Ruhrgas representatives in Oslo about the sale of Sleipner gas, without Klaus Liesen participating. In a couple of weeks there will be new negotiation meetings with representatives of British gas.



When Ruhrgas negotiates for the purchase of Sleipner gas, it is as the leader of a consortium consisting of distribution companies in several countries on the continent.

Minister of Oil and Energy Kare Kristiansen also met yesterday with the American Secretary of State George P. Schultz. At that meeting the European gas situation was also discussed, among other things.

9287

CSO: 3639/61

## DELAY BY NORWEGIAN SIDE MAY CAUSE POSTPONEMENT OF GAS TO UK

Oslo AFTENPOSTEN in Norwegian 18 Jan 84 p 33

[Article by Bjorn H. Tretvoll: "Snags in Negotiations Can Delay Sleipner"]

[Text] Little by little as the negotiations for the sale of gas from the Sleipner field are drawn out, the danger increases that the development of that field will be delayed in relation to the original plans. If the Storting is to make a decision on the development plan in the spring session, there must be an agreement on the sale of the gas in the next few weeks, informed sources have told AFTENPOSTEN.

Ownership and financing of a future pipeline for transport of the gas from Sleipner to St. Fergus in Scotland is, AFTENPOSTEN has learned, a main question in the discussions between the Norwegian sales group, headed by Statoil, and the national British company BGC. Statoil does not want to have BGC as coowner of the pipeline because that could weaken Norwegian control of that transportation system.

The question of the price of gas is naturally of decisive importance to whether an agreement will be reached. According to the newspaper WORLD GAS REPORT they are maneuvering in these discussions around a price level of about 4.80 dollars per million BTU (British Thermal Units, a unit for measuring the energy content of the gas).

Negotiations with the continental buyer group, headed by the West German gas company Ruhrgas, are taking place parallel with the discussions with BGC. If the negotiations should lead to Sleipner gas being sold to the continent, there will remain so many unanswered questions that it will hardly be possible to have the agreement dealt with by the Storting in the spring session.

It therefore appears that only a relatively prompt agreement with BGC can ensure that the original time plan for Sleipner development will be adhered to. It appears, however, that BGC is taking its time in the final rounds of the negotiations. The British market will undoubtedly need more imported

gas in the future, but the need will first become acute when production of the British-Norwegian Frigg field falls drastically about 1992-93. Even with a certain delay in relation to the original development plans, Sleipner could be developed in time for the deliveries to begin by that time.

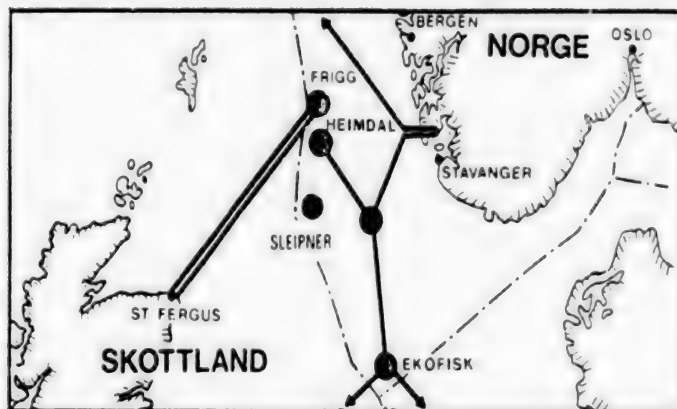
A delay for Sleipner will have consequences for Norwegian offshore industry throughout the 1980's. Orders in connection with the expected development of Sleipner will come in later than assumed. The development of Oseberg will not be able to give employment to the entire industry which thereby could have significant problems with the utilization of its capacity if the delay at Sleipner becomes a long one.

Statoil is working to force the second phase of the Gullfaks development so that this project can eventually compensate for a delay of Sleipner. It is, however, unlikely that the Storting will be able to make a decision on the second phase of this development in the spring session.

A Sleipner delay can also have consequences for the first part of the Troll field. The situation can become especially serious if there is no agreement reached for the sale of the Sleipner gas. In that case Sleipner will remain without development for a relatively long period. In such a situation it will be very difficult to discuss the sale of gas from the western part of Troll.

The three selling companies, Statoil, Norsk Hydro and Esso, have recently discussed different alternatives for the ownership of a future pipeline. According to what AFTENPOSTEN has learned, it is Statoil that especially does not want BGC as coowner. The company has said, among other things, that such ownership conditions could weaken Norwegian interests in eventual later negotiations for the sale of gas from other fields where the use of this pipeline can be the transportation solution. But a contribution from BGC to the financing of the transport system may be imminent. Such a contribution could have the effect of reducing the price of the gas.

On the Norwegian side they do not exclude that there could be a partial development of Sleipner. This question is especially pertinent if the gas is sold to the continent. The gas reserves in Sleipner are located in several different structures. One of these, called Gamma, contains gas without the troublesome presence of carbon dioxide. This part of the field will eventually be developed first.



Caption: Ownership and financing of a future gas pipeline from Sleipner to St. Fergus is central in the discussions.

9287

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## INDIAN ENERGY MINISTER SEEKS COOPERATION IN OIL PROJECTS

Oslo AFTENPOSTEN in Norwegian 19 Jan 84 p 8

[Commentary by Ulf Andenaes: "India Wants Oil Cooperation"]

[Excerpts] When India's Minister of Energy P. Shiv Shankar made an official visit to Norway last week, he expressed a strong desire that Norway participate in Indian oil activity through special cooperative projects. The possibilities for Norwegian expertise in this area lie both on the purely commercial level and in the form of foreign aid. In recent years Indian authorities have invested in extensive oil exploration both on land and offshore, mostly offshore, and the Indians have shown zeal in bringing in foreign companies to increase the tempo of extraction.

The background is that India has been hit harder than most other countries by the large increases in the price of oil in the 1970's, and oil imports have since then been a heavy burden on the economy of the country. India is one of the large industrial countries in the world today, but at the same time continues to be a decidedly poor country. That means that the need for energy is enormous, at the same time as the ability to pay is limited. India has a great potential for further industrial growth, with an enormous but undeveloped domestic market and with a technical and industrial expertise greater than in other underdeveloped countries. Even though the import of oil has damaged India's trade balance, the country's own oil production is significant, and further growth in production is anticipated.

The Norwegian input into Indian oil activity has so far mostly consisted of individual Norwegians working as experts and advisors. The increased Norwegian involvement which India is seeking can take place in several areas. The national company Oil and Natural Gas Commission recently received permission to import oil drilling equipment on a large scale. It will be interesting to see in the years to come whether India can be a new market for Norwegian oil-based industry and consultant activity, or whether the country's awesome bureaucracy with its confusion and inefficiency will lay its clammy hand on such a campaign. As to the possibility of using oil activity assistance as an input in foreign aid, that would continue a line



which has been tried to a certain extent in other underdeveloped countries previously. Since it is a matter of helping a principal Norwegian cooperating country to be self-sufficient in energy, it is not a big step from building fishing boats to supplying technology and equipment for oil activity.

Another Norwegian specialty in the energy sector is hydroelectric power, and in this area one can imagine Norwegian aid to India both directly and indirectly. India has a crying need for electricity, at the same time as tremendous water power resources in the Himalayas are largely unutilized. Much of the unutilized water power is located outside of India's own borders, in Nepal and Bhutan. If Norwegian foreign aid builds hydroelectric power in Nepal, as has been suggested, India will be an interested buyer of surplus power; in addition the Indians have plans to advance their own hydroelectric power development.

9287

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## WILLINGNESS TO COMPROMISE ON POLICY SEEN IN LABOR PARTY REPORT

Oslo AFTENPOSTEN in Norwegian 16 Jan 84 p 12

[Statement by Terje Osmundsen, personal advisor to the prime minister:  
"Labor Party Report Gives Hope of Increased Oil Unity"]

[Text] "The report by the Labor Party's Oil Committee, and statements by its chairman, Finn Kristensen, contain a number of signals which open the way for greater unity in oil policy," said by the prime minister's personal advisor, Terje Osmundsen, to AFTENPOSTEN. He pointed out, however, that the report is marked by a disappointing lack of new thought about how future democratic control of oil activity can be achieved.

Terje Osmundsen believes it is positive that the Labor Party now also recognizes that Statoil "will be able to be an important power factor in Norwegian politics and economy," and that its "gross income will be very great in Norwegian terms."

"It is therefore sensational that the committee rejected the reform plans before it, which will ensure that a larger part of the national company's income will come to the national treasury, and that oil activity will come under better popularly elected management."

But the prime minister's personal advisor believes that the report is marked by a lack of new thought on future democratic management of oil activity: "When the chairman of the committee, Finn Kristensen, expresses a positive wish for a dialogue with the government about Statoil's future, I assume that the Labor Party will, openly and unprejudiced, study the Statoil reform which the government will soon propose.

"Since the Labor Party now also seems to recognize that today's model will gradually give Statoil disproportionately great power and great income, one would hope that they would also realize that the government's plans to separate the company's administrative tasks and income represents the only

solution to that problem," said Osmundsen. He said that it helps little to employ new people in the department and directorate if the company's continued double roll and dominance means that the main weight of the resources and expertise is concentrated in Statoil.

"Both experience from other countries and social science insight have taught us that it is not enough to want to manage great national companies; one must also have organizational conditions which give real possibilities for that.

"The combined desire of the Labor Party and the government that Statoil will be able to develop into a strong, independent and integrated oil company also assumes a reform along these lines. How, for example, will Statoil be given freedom to work abroad if at the same time the company is playing a roll as tax collector and a 'tool' for the authorities' oil policy? Does not the wish to give Statoil businesslike freedom of action assume that the public and social tasks are taken care of by other organs?

"Furthermore there is reason to say that the Labor Party's oil report on most points contains agreement with the main lines of the government's oil policy. That applies, among other things, to stepping up exploration, the wish to strengthen Norwegian oil environments, development of the north and the need for actively building up a competitive, Norwegian supplier industry. The report should therefore open the way for greater unity between the parties on oil policy," Osmundsen said.

9287

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## YEAR-ROUND DRILLING IN NORTH BEGINS EARLIER THAN EXPECTED

Oslo AFTENPOSTEN in Norwegian 19 Jan 84 p 39

[Article by Flemming Dahl: "Year-Round Drilling in the North a Fact"]

[Text] Year-round drilling for oil and gas on the Norwegian continental shelf north of 62 degrees latitude has become a fact one year earlier than the Ministry of Oil and Energy originally estimated. The information secretary of the ministry, Egil Helle, emphasized however that it can not be seen as a violation of the Storting preconditions.

At the Traena bank the ministry had expected the first year-round drilling to take place in the coming winter, but now it has given the national oil company Statoil dispensation to carry out delayed drilling with the rig "West Vanguard."

At Halten bank the ministry had expected year-round drilling this winter, but last winter Statoil was given dispensation to carry out delayed drilling with the rig "Dyvi Delta"--so year-round drilling became a fact then.

In the third current exploration area in the north, Tromsø flake, there has not, however, been any drilling during the winter months, and the ministry does not expect year-round drilling before the winter of 1985-86.

Even though the ministry had expected year-round drilling on Traena bank to begin next winter, Information Secretary Helle emphasized that the Storting has not opposed such activity this winter.

Concerning Halten bank, according to Helle the Storting said one year ago that during the winter months the necessary precautions must be taken to protect fishing activity, which the ministry has been doing since last year when Statoil was given dispensation.

The alternative to the dispensation would have been to take the rig ashore only 14 days before the opening of the summer season, and then take it out

again, something that the ministry judged to be more disturbing for fishing activity than to let the rig remain in place drilling.

The reason why "West Vanguard" was delayed this winter on Traena bank was partly bad weather and partly that the drill pipe was stuck in the ground. Now the drill pipe is loose again, and Statoil has received the green light to complete drilling to the planned depth before stopping. At Statoil, press spokesman Hakon Lavik expects that completion will take one month.

When the drilling began last fall, Statoil told the ministry that it could be difficult to complete the drilling before 1 December, when the summer season officially expired, but the company received approval to begin. Later, bad weather and technical drilling problems led to a much greater delay beyond the time limit than Statoil and the ministry expected--such a long delay that year-round drilling is now also a fact at Traena bank.

9287

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## GOVERNMENT URGED TO PREPARE LONG-RANGE POLAR PROJECTS

Oslo AFTENPOSTEN in Norwegian 23 Jan 84 p 29

[Article by Flemming Dahl]

[Text] The government should develop a 5-year plan to increase Norway's commercial involvement in polar regions, according to a group of business leaders and researchers who recently established a forum to promote such involvement.

One participant in the Forum for the Commercial Development of the Polar Regions, administrative director Trygve Tamburstuen, presented the concept of a 5-year plan to AFTENPOSTEN. The secretary of the forum, engineer Per Olaf Brett, said that the forum supported Tamburstuen's proposal.

"We know that there are enormous natural resources in the polar regions that could be used commercially. We also understand that we literally have just begun to scratch the surface," said Trygve Tamburstuen.

"We also know that Norwegian industry has the special prerequisites needed to utilize these resources, both because of our country's location and because of the special experience and expertise of Norwegian industry," he added.

The new forum held its first regular meeting last week after being established last fall at the initiative of representatives from Norwegian Veritas, the Fridtjof Nansen Society in Polhogda, the Norwegian Commercial Institute, and the Norwegian Institute of Shipowners.

Director Tamburstuen pointed to the possibility of enormous fishing resources, oil, gas, coal, metals, other minerals, geothermal energy, and tidal technology in the polar regions.

Extensive utilization of such resources would also boost many industries, according to Tamburstuen, who mentioned the following key words: transport, including underwater transport, communications, research services and development in general, as well as engineering services.

"The development of efficient and inexpensive transport services in the polar regions will promote the commercial development of these areas. Norwegian shipbuilders, oil companies, shipowners, engineering companies, and consultants have valuable experience in the development of technology for cold climates," he said.

Tamburstuen said that a national strategy should be developed for investment in polar regions. "In the debate over Parliamentary Report No. 26 on the polar regions this spring, parliament should request that the government develop a 5-year plan. Such a plan should include both state involvement and the part to be played by business. This effort also should include political and international clarifications and planning for the necessary research and development," he said.

"Norway has companies and institutes that actually can compete with the major international companies and with other nations for projects in the polar regions," said Tamburstuen. He is administrative director of the Norwegian subsidiary of the American oil company Arco. He also is a former under-secretary in the Oil and Energy Ministry.

#### Ministry People Included In Forum

The Forum for the Commercial Development of the Polar Regions was established by private initiative, but it would like to cooperate closely with the authorities, according to forum secretary Per Olaf Brett. Brett is chief engineer of the Norwegian Veritas.

Brett pointed out that the first regular meeting the other day had about 25 participants from business, research institutes, as well as the Commerce Ministry, the Industry Ministry, the Defense Ministry, and the Foreign Affairs Ministry.

Some other ministries--especially the Oil and Energy Ministry--have shown strong interest in the new forum.

"We want to be a link between industry and government," said Per Olaf Brett, who said that the forum intended to hold four meetings per year.

The participants will be primarily people with special interest in and knowledge of activities in the northern and southern polar regions, according to Brett.

"We are an independent group that will monitor and report on developments in the polar regions, whether these developments be of a technical, commercial, or political and legal nature. We will gather people together to exchange experience and ideas," he said.

The forum's board consists of director Bjarne Aamodt of the Norwegian Veritas, research leader Finn Sollie of the Fridtjof Nansen Society, Prof Arnljot Stromme Svendsen of the Norwegian Commercial Institute, and director Rolf Hasselgard of the Norwegian Shipowners Association.

STUDIES TO SAVE HIGHLY POLLUTED SARONIKOS GULF

Athens I KATHIMERINI in Greek 18-19 Dec 83 p 10

[Text] Three Tankers Will Save the Saronikos Gulf From the Pollution Which in Ten Years Would Cause Its Death

Installation of Floating Plant For Biological Purification in Psitalia Suggested

Will the Saronikos Gulf be saved? Is there a possibility of preventing the slow but certain death of our sea, beautiful and clean until a few years ago? According to a study conducted by the TEE, the Saronikos Gulf will be a "dead sea" in five, at most ten years from now if its pollution continues at the same--if not increased, as is predicted--rate. In Akrokeramos (Keratsini), 600,000 cubic meters of sewage is dumped daily. A frighteningly large amount, if one considers how enclosed and how small in area the Saronikos Gulf is. What can be done? What can we do to preserve the Saronikos Gulf? The only certain thing is the necessity to act quickly. Time has run out.

The cleanup of the Saronikos Gulf can only be done, as has often been written and reported, by "biological purification." With television, radio, and press items on "biological purification," it has become a familiar term to all, at least as hearsay. But do we know what "biological purification" is?

Nature itself has three basic components:

- a) producers;
- b) consumers; and
- c) decomposers.

Producers are plants that transform inorganic matter into organic substances.

Consumers are animals; among them, naturally, are humans.

Decomposers break down the wastes of plants and animals. In cities, contrary to natural laws, there are primarily consumers. Their waste creates disorder, as there is not a large enough number of decomposers to process it. Thus, an ecological imbalance is created.

In the case of Athens, this imbalance is manifested in the pollution of the Saronikos Gulf, since 600,000 cubic meters of waste are dumped into it daily. The lack of decomposers changes the equilibrium of the ecosystem, with the resulting danger of rapidly transforming the Saronikos Gulf into a dead sea. This situation creates the necessity of preserving one more living organism--namely, the Saronikos Gulf. In order to achieve this, the decomposers must be multiplied to such a degree that they can process the wastes of the consumers.

This is precisely the job that "biological purification" performs. Waste which is piped into tanks constitutes the food of cultivated microorganisms, which are fed and multiply in these tanks. However, once the population increases so much, increased amounts of oxygen are needed in addition to food. In the absence of increased oxygen, the wastes remain disposable organic substances.

In order for something like this not to happen, the tanks where the wastes are gathered are ventilated. This is the central function of a biological purification plant. For the microorganisms to function properly, they need a constant temperature, maintained by technical means when the biological purification plant is on land.

But let us return to our subject. What can be done--quickly--to preserve the Saronikos Gulf?

According to reports, the Ministry of Public Works is considering two possibilities.

The first is the construction of biological purification plants on Psitalia. The plan predicts connection of the islet--with pipeline--to Akrokeramos. The pipeline will transport the sewage to the plant where biological purification will take place. The plan anticipates the leveling of Psitalia. But certain archaeologists, who rightly consider the island historic ground, reacted. And ecologists, who say that the leveling of Psitalia will distort even further the already ecologically-imbalanced environment, also are reacting.

At any rate, it is a fact that the proposal is under consideration. It is estimated that the project--if the plan is ultimately approved--will be ready in 8 to 10 years from the day of its initiation. It may or may not manage to be in time for the death rattle of the Saronikos Gulf.

But there is also a second proposal, submitted by two Greek technical companies. The idea belongs to a Greek engineer.

The proposal more or less describes the establishment of biological purification plants at sea. The system will operate installed on three tankers, which will play the role of the indispensable storage tanks for biological purification. A ventilation system will be installed in them. The related study, submitted along with the proposal, foresees that not many modifications are needed.

The tankers offer one more advantage: the constant temperature of the sea. These floating tanks, immersed in the water, ensure an almost steady temperature of 16 degrees Celsius, which will make the operation of biological purification

easier. The proposal--which has been proven successful--emphasizes that the whole process of installing the unit will take--at most--18 months from the first day of construction to the beginning of operation.

In the proposal, which was submitted to the Ministry, the companies emphasize the following:

1. There is an immediate need to intervene in Akrokeramos in order to preserve the Saronikos Gulf, by applying a solution which is feasible in the shortest possible time span.
2. The same system can easily be applied in other coastal Greek cities which are facing the same problem.
3. There will exist the possibility of the application of a new product of combined Greek and European invention, which can possibly be exported.
4. The solution is beneficial from the financial point of view. Because of the merchant marine crisis, the tankers are available at a low price; thus enormous expenses necessary for the installation of biological purification plants in Psitalia will be avoided.
5. The choice of the tankers will preserve Psitalia as a natural and historical site. The companies which submitted the proposal foresee that in 4 to 5 years from now the Saronikos Gulf will be returned spotless to the inhabitants of the adjoining areas, who will be able to swim freely in a blue sea.

In addition, it must be emphasized that at the point where the sewage is dumped, there exists adequate space in which to construct the plant. Furthermore, the sea bottom can be shaped so that tankers can anchor.

The tanker solution offers flexibility as a result of which other expenses--for example, the expropriation of land, etc.--can be avoided. Even the machinery required for the plant can be of a Greek manufacture. If the idea proves successful, assemblies for "floating biological purification" can be exported, something that means jobs in the distressed Greek shipbuilding industry.

The cost of damage to the environment that would be brought about by the leveling of Psitalia is incalculable. Therefore, it would be good if such a thing could possibly be avoided. According to reported information, "both propositions are being considered with equal care and seriousness." Thus it may be that the solution representing the best interests of the country will be chosen.

12542

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## SCANDAL IN U.S. TESTING OF CONTROL SUBSTANCES CAUSES CONCERN

Oslo AFTENPOSTEN in Norwegian 19 Jan 84 p 32

[Article by Georg Parmann]

[Text] A number of agricultural control substances that are being investigated by the Environmental Protection Agency (EPA) in the United States because of an extensive scandal at a testing laboratory are still being sold in Norway. The American firm, Industrial Bio-Test, Inc. (IBT) has been accused of cheating on a number of test results stemming from studies of medicines and agricultural control substances. The tests formed the basis for declaring these chemicals safe for use.

The latest issue of JORDVETT, which is published by the Earth Watch League, described the testing swindle at IBT and which Norwegian products are affected, although the Agricultural Ministry's Poison Board has not yet reacted to the reports. Several scientists have been taken to court in Chicago, accused of having falsified studies of chemicals and drugs in the 1970's. When it comes to agricultural control products, the falsified data led to questions being raised about more than 200 products. Several of them are now being retested at great expense to the manufacturers. A report prepared by the EPA in February 1983 says that of 1,205 key tests of agricultural control substances performed by IBT, only 214 can be regarded as valid. Several studies have already been redone, but there were still 737 tests that could not be considered satisfactory--although there were no plans to redo these tests.

In connection with the test scandal, the EPA set up a list of agricultural control products in which IBT played a major or minor role. The products are divided into five groups according to the quality and extent of IBT's involvement in testing compounds and preparations. JORDVETT prepared a list of products sold in Norway that were tested by IBT or consisted of substances that have come under investigation. Since the EPA list is a combination of the names of active ingredients and commercial products, JORDVETT noted that there could be some differences in the composition of products used in Norway, although the active ingredients are the same.

The following products sold in Norway are no longer or never were approved by U.S. authorities: Acricid 50 (fungicide and pesticide) and Gardiprim 80 WP (herbicide). The following products sold in Norway will be recalled immediately by the EPA unless new and satisfactory data are presented: Ramrod (herbicide) and Vadheim Soda-chlorate (herbicide). The following controversial products for which the EPA will require new data before renewing approval are sold in Norway: Avadex BW, Banvel and Preeglone (all herbicides). The EPA is also looking into a group of products for which it is highly likely that new data will be required. Of these, the following are sold in Norway: Faneron (herbicide), Meta-Systox (pesticide), Meshurol (pesticide), Gesagard 50 (herbicide) and Saprol (fungicide).

The EPA also has a list of products IBT has investigated without having clarified all the relevant health effects. This group includes 118 chemicals, of which approximately 25 are approved for use in Norway, according to JORDVETT.

JORDVETT also pointed out that the Finnish Drug Agency has its own list of substances that can be approved on the basis of insufficient data, including poor testing. Some of the substances listed differ from those on the EPA list. Five of the substances on the Finnish list are available in Norway: Treflan, Eptam, Gardoprim 80 WP (all herbicides), Sumition and Oiginal Malathion 50 (pesticides).

#### Ongoing Evaluation by Poison Board

The chairman of the Agricultural Ministry's Poison Board, Professor Per Oftedal, said in a comment on the article in JORDVETT that the cheating at the IBT laboratory has turned out to be greater in extent than he originally believed. In a new evaluation of the substances that were documented by IBT studies, the Poison Board supported the re-evaluation made by the American Environmental Protection Agency, EPA. The EPA used independent experts to go through the IBT material.

"Because we review all agricultural control substances sold on the Norwegian market at 5-year intervals, I am not afraid that the IBT scandal will have big consequences in Norway. If a substance has dramatic effects, this would also show up in other tests. We have always had other tests in addition to IBT's tests to refer to. If new material comes in on a substance or special conditions indicate that a substance should be re-evaluated by the Poison Board, we are able to do so and a review is made. Most of the products mentioned in the article in JORDVETT are being or will be re-evaluated," Oftedal said.

Oftedal would not discuss individual products named in JORDVETT in detail. However he did say that they were waiting for a new report from Denmark on Acricid 50, a report being made for the Nordic countries. This report will provide a new basis for evaluating the product. New long-range research has been done on Gardiprim 80 WP and Faneron Combi and the material from this research has just been received by the Poison Board's secretariat.

For most of the other products specifically mentioned in the article in JORDVETT, new material is either expected or has already come in. Oftedal stressed that such material is often obtained on the Poison Board's initiative.

Saprol, which was also mentioned in the survey in JORDVETT, was recently reviewed by the Poison Board. Oftedal said the data for it were good and permission was granted to expand the product's area of use.

Oftedal said that the Poison Board constantly receives new information on approved and new products. Agricultural control substances are first in line for review. The amount of information required by the Poison Board is also steadily increasing. Now for example they require a bacteria test which provides signals about the cancer risk and a genetic test, as well as a number of other tests. Within a few years they will probably call for cancer tests on human cells too. Such tests are being developed and it will be realistic to use them within a few years. Oftedal stressed, however, that there are limits to how many tests one can require for a substance. If too much testing is required, it will be an economic question whether it can pay to market a product--or to develop new agricultural control substances at all.

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## RESEARCHER WARNS AGAINST PREMATURE USE OF CHEMICALS FOR GRAIN

Oslo AFTENPOSTEN in Norwegian 21 Jan 84 p 10

[Article by Georg Parmann]

[Text] "I am opposed in principle to the use of chemicals on ripe grain. That is why I asked for the addition of a minority opinion when the Agricultural Ministry's Poison Board decided to permit the use of glyfosat on fields of ripe barley," veterinary director Olav Sandvik, a former member of the Poison Board, told AFTENPOSTEN. The Norwegian Conservation League and the Agricultural Cooperative Society of Norway (NKL) have asked to see the Poison Board's background material on this.

The question of allowing the use of glyfosat on ripe grain has been discussed repeatedly by the Poison Board since 1981. On two occasions in 1981, such a request was turned down for the reason that spraying glyfosat in fields of ripe grain would result in unacceptable residues in grain, which is an important element of our daily food consumption. A decision in February 1983 allowed the use of glyfosat on fields of ripe barley, but requests to use it with other types of grain were turned down.

Director Olav Sandvik and Inger Nafstad, associate professor at the Veterinary College and product representative on the Poison Board, disagreed with the decision in a minority opinion. Incidentally that is the only time in the history of the Poison Board that such a reservation has been made. Sandvik told AFTENPOSTEN that he had no objections to the toxicology evaluation (the evaluation of the toxicity of the substance) that was made, but that on the basis of principle he did not think chemicals should be approved for use on ripe grain, even if there is a requirement that the grain to be sprayed cannot be used for human consumption. He fears that such a decision could be the start of a new tendency toward approving the use of plant control substances. Sandvik left the Poison Board when he became veterinary director in the fall of 1983.

The State Grain Office told AFTENPOSTEN that around 6500 tons of Norwegian barley are used for human consumption annually, mainly in the form of barley meal and pearl barley. That is less than 2 percent of the total production of barley in Norway.

The technical agricultural reason for using glyfosat in grain fields is to control witch grass. The Poison Board's minutes said that treatment with glyfosat would be useful in controlling witch grass, which can be a problem when grain is the only thing being raised. The Poison Board said that studies that have been carried out show that glyfosat is a substance without great toxicological objections and that there was no documentation that would make it necessary to refuse to allow glyfosat to be used in ripe grain fields.

When the question of using glyfosat on ripe grain was taken up as Item 89 in 1981, it was noted that spraying glyfosat in fields of ripe grain left residues in the grain that could not be accepted, since grain is an important part of our daily food consumption. In the final decision in 1983 its use was restricted to grain to be used for animal feed. In the reservations from 1981, it was noted that residues in hay that has been sprayed with glyfosat can be large enough to spoil the hay as animal fodder. The 1983 decision says: "The Norwegian data available on glyfosat residues in grain and hay do not seem to indicate big problems with the use of grain products for animal feed after ripe fields have been sprayed. The margin of safety against residues in meat and milk after the use of grain and hay from fields sprayed with glyfosat is felt to be adequate."

Both the Norwegian Conservation League and the Agricultural Cooperative Society of Norway have reacted to the Poison Board's decision. The fundamental aspects of allowing the use of a plant control substance on ripe grain are the main reason for their inquiries.

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